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MANUAL OF INSTRUCTIONS

BALANCE SHEETS, REVENUES AND EXPENDITURES

AND

OTHER ACCOUNTING STATEMENTS

OF

MUNICIPAL CORPORATIONS

12-507B

DEC 14 1942

DOMINION BUREAU OF STATISTICS
FINANCE STATISTICS BRANCH
CANADA

MANUAL OF INSTRUCTIONS

Balance Sheets, Revenues and Expenditures
and
Other Accounting Statements
of
Municipal Corporations

Published by Authority of the Hon. James A. MacKinnon, M.P.
Minister of Trade and Commerce



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FOREWORD

By undertaking the preparation and publication of this volume, the Dominion Bureau of Statistics has given due recognition to the great national importance of the financial statistics of municipal governments in Canada.

One of the most complicated problems of the Dominion-Provincial Conferences on Municipal Statistics was that of the scheme of reporting revenues and expenditures and balance sheets. The foundation for this work was laid at the first Conference held in July, 1937, at which a Continuing Committee was appointed to carry out the recommendations of the Conference. This Committee consisted of the following:

J. R. Munro, Chief, Finance Statistics, Dominion Bureau of Statistics, Chairman.

J. A. Towner, Quebec Municipal Commission.

G. P. Gordon, Commissioner of Finance, Ottawa.

The studies and research work of this Committee extended over a period of three years and involved many meetings and consultations in Ottawa, Toronto, Montreal and Quebec. The Committee was greatly aided in its work by the advice and assistance of provincial officials and others, including those of the Bank of Canada. Particular mention may be made of Louis Jacobs of Saskatchewan, Samuel Gascon of Quebec, and J. H. Lowther of Ontario, who personally attended several of the meetings. The two latter also served on the Committee in the final stages of its work; Mr. Gascon replaced Mr. Towner, who had left the employ of the Quebec Municipal Commission but nevertheless took an active personal interest in the completion of the Committee work, and Mr. Lowther was added to the Committee at the Conference of May, 1940.

The final report of the Committee was submitted to the Conference of December, 1940, and following further revisions and recommendations, the basic schedules which are explained in this manual were adopted. The Conference was of opinion that, before implementing the use of these uniform schedules in the several provinces, a *Manual of Instructions* should be prepared which would give a detailed explanation of each of the forms and account items included therein, and requested that the Dominion Bureau of Statistics undertake this task through its Finance Statistics Branch.

In publishing this volume, the Bureau carries out its part of the obligation arising from the recommendations of the Conference. Following the preparation of a preliminary draft, visits were made to each of the provinces in connection therewith and many helpful and constructive suggestions and criticisms were received. The Bureau is indeed grateful to the provincial officials and others who made available their time and knowledge in this regard, as well as to the Executive Officers of the Municipal Finance Officers Association of the United States and Canada who so willingly took part in our Conference and made many constructive and helpful suggestions.

A copy of this Manual is being made available without charge to each municipality in the Dominion of Canada, in accordance with the understanding reached between the Provincial Departments and the Bureau at the last Conference. Additional copies may be obtained by interested parties at a nominal charge of fifty cents each.

Since it is contemplated that the Manual will serve its useful purpose over a considerable period of time, it has been bound in loose-leaf form, so that it may be amended, revised, or added to at any time in the future in order that it may be of current practical value at all times.

The Manual was prepared by Mr. J. H. Lowther, now Assistant Chief of the Finance Statistics Branch of the Bureau.

S. A. CUDMORE,
Dominion Statistician.

July 31, 1942.

INTRODUCTION

One of the objectives of the Dominion-Provincial Conferences on Municipal Statistics was the standardization of municipal financial reporting throughout Canada, not only to the public at large but also to the Provincial Departments of Municipal Affairs or other authorities, which in turn would also make possible the procuring of comparable municipal statistics on a provincial basis. The schedules for reporting balance sheet information, revenues and expenditures and other financial data relating thereto, as adopted at the December, 1940, Conference, were developed with these objectives in mind and the purpose of this Manual is to explain the application and use of these schedules. At the same time provision is made in the Manual for a breakdown of municipal financial statistics and activities which will permit comparisons and consolidations to be made of financial statistics on a national scale, including the finances of Dominion, Provincial, and Municipal Governments.

Modification of Forms for Smaller Units

It is pointed out in this regard that the form and content of the financial statements and supporting schedules are designed to cover the activities of the largest type of municipality. Considerable scaling down and simplification will necessarily have to be made in the forms put into use for the smaller municipalities, and also for municipalities of different type or character. For instance, some modification will no doubt be required as between the forms for use by towns and villages in some provinces, as well as in those for townships or rural municipalities of different sizes. These facts should be given due recognition in the use of this Manual, and it should not be inferred that smaller municipal units are expected to have their financial reports prepared on such an elaborate basis. Further, it will be noted that many of the forms or schedules do not apply to all municipalities; reference to this fact is made later on in connection with the system employed in indexing the exhibits and schedules. However, in the course of any simplification or modification that may be necessary, the basic principles laid down for the preparation of the general statements must be carefully followed. With this in mind, it is the intention of the Finance Branch of the Dominion Bureau of Statistics to co-operate with Municipal Affairs officials of each of the provinces in designing forms and schedules for use by the different classes or types of municipalities. In this way both the local and provincial requirements for municipal financial statements will be adequately provided for, while at the same time the principles of uniformity on a national basis, which is an all-important and essential factor towards improvement in municipal administration and in the field of public finance statistics, will be maintained.

Municipalities Affected

This Manual applies to all units of local government as they exist and are known in the several provinces, as shown in the following table.

MUNICIPALITIES IN CANADA, 1940, CLASSIFIED BY PROVINCES

Province of	Cities	Towns	Villages	Total Urban	Rural	Total Local Municipalities	Counties	Total Incorporated Municipalities
P.E. Island	1	7	–	8	–	8	–	8
Nova Scotia	2	43	–	45	24[1]	69	[2]	69
New Brunswick	3	20	2	25	15[3]	40	[4]	40
Quebec	26	108	311[5]	445	1,054	1,499	76[6]	1,575
Ontario	27	148	156	331	571[7]	902	38[8]	940
Manitoba	4	36[9]	22	62	111	173	–	173
Saskatchewan	8	82	384	474	302	776	–	776[10]
Alberta	7	53	145	205	143[11]	348	–	348[12]
British Columbia	33	–	19	52	28[13]	80	–	80
Totals	111	497	1,039	1,647	2,248	3,895	114	4,009[14]

[1] Officially known as "Municipalities".

[2] Nova Scotia has 18 counties, 12 of which each comprise *one* municipality and 6 are divided into *two* municipalities each, making the total of 24 rural municipalities. Counties, as such, do not represent local units of self-government.

[3] Officially known as "Counties".

[4] New Brunswick has 15 counties which are incorporated municipalities and have direct powers of local self-government comprising the rural areas; they are thus classed herein as "rural".

[5] In provincial reports these are classed as "rural".

[6] Although being incorporated municipalities, each county is comprised of the villages and rural municipalities situated therein, which provide the necessary funds for the services falling within the scope of county administration.

[7] Officially known as "Townships".

[8] Although being incorporated municipalities, each county is comprised of the towns, villages and townships situated therein, which provide the necessary funds for the services falling within the scope of county administration. Geographically, there are 43 counties, but 5 are united with other adjacent counties for purposes of administration.

[9] Includes Flin Flon Municipal District and 5 units of self-government officially known as "Suburban Municipalities".

[10] Excludes 84 "Local Improvement Districts".

[11] Officially known as "Municipal Districts".

[12] Excludes 246 "Improvement Districts".

[13] Officially known as "Districts".

[14] See footnotes [10] and [12].

Thus the use of the word "municipality" throughout the text of the Manual applies in a general sense to all units of local government. There are instances, however, where its meaning conforms to the legal definition or common usage in some provinces.

Tax or Rate Roll

Some confusion may exist as to the use of the term *tax, or rate roll* in the text. It refers to the book(s), record(s) or list(s) used by municipalities in any province in which is entered the amount of taxes levied against each taxpayer or property in any year. Sometimes the tax roll and the assessment roll may be combined.

Fund Reporting

The schedules and accompanying instructions embodied in this Manual are predicated on the fundamental principle of separate fund accounting,

namely, that the financial position and operations of each different fund (or activity) are reported separately. Generally speaking, the financial transactions of municipalities may be segregated into separate and distinct groups, being those relating to: (1) Capital and Loan Fund; (2) Sinking Fund; (3) Revenue Fund; and for many of the larger cities and towns (4) Trust Fund. While a number of special funds such as reserve funds, pension funds, insurance funds, working capital funds, etc., may also be found in some of the larger municipalities, such, for the most part, are not of general application.

In addition to the foregoing, and from the standpoint of the municipality as a unit, schools, and utility, housing and cemetery enterprises also constitute separate funds. But note that this applies only from the standpoint of the municipality as a unit, because each of these enterprises or activities may in turn account for their financial situation on the basis of the three or four *principal funds* referred to above. This point is illustrated in the Manual by the use of the qualifying words "General Section" in the title to the statements wherever such apply to the strictly municipal transactions.

"Utilities", as referred to in the foregoing, applies to all such services rendered by the municipal corporation regardless of the legal definition or constitution thereof. For instance, in some municipalities the management and operation of municipal utility enterprises is generally, but not always, entrusted to a local board or commission which is duly constituted as a corporate entity separate and apart from the municipal council but nevertheless created by the parent municipal corporation. In other municipalities these same utility services are provided but the management and operation thereof is carried out by the municipal council. That is to say, while one municipality may have a *Water Commission* or *Board of Water Commissioners*, or a *Public Utility Commission* including both a Water Supply System and an Electric Light and Power System, a neighbouring municipality may still provide these same services to its citizens and yet have no such "board" or "commission" vested with powers of management and operation. While such variations occur, they are merely incidental to the services provided which are of an identical nature in both instances. Thus, all utility enterprises, as well as housing and cemeteries, irrespective of the method employed in the management and operation, or control of these activities, are considered as separate *funds*, the transactions of which should each be accounted for and reported separately from ordinary municipal activities. This is essential, not only for the accurate interpretation of financial statements and reports, but also for uniformity and comparability in municipal statistics.

Hospitals, libraries and parks, when administered by a duly constituted board or commission, should also be treated on this same basis. See pages 128 and 129 of the text for further information in this regard.

Reporting School Finances and Operations

In so far as Schools are concerned, while the same principles of separate fund accounting and reporting should be followed, no provision is made in the Manual for the financial statements reflecting school activities. The main reason for this is that the Conferences on municipal statistics

did not deal with the problem of financial statements of school authorities as responsibility in this regard lies mainly with the Provincial Departments of Education. The whole matter of educational statistics has, however, been the subject of separate conferences convened by the Bureau and it is anticipated that final action on the question of school financial statements will be taken in the near future. Another reason, however, is that there is no common basis or uniformity of practice in the financial administration of schools in relation to local municipal organizations; and this applies not only as between the several provinces but also within most of the provinces as well. In some instances school areas conform with municipal boundaries and the municipality levies and collects the school taxes and issues all debentures and effects other borrowings for and on behalf of local school authorities. In others, while the municipality may levy and collect the taxes, the local school authorities issue their own debentures and incur other debt direct; and in still other instances all financial administration, including the levy and collection of taxes, is carried out directly by the school authorities independently of the local municipality. In many of the latter instances, school areas do not conform to municipal boundaries. Thus, municipal reports generally would reflect only a small part of the financial administration of school authorities in organized areas, in addition to which there are, in some provinces, schools in unorganized areas which must also be taken into account.

However, where the local municipal authorities are responsible for reporting school finances, *separate* balance sheets and statements of revenue and expenditure, etc., should be included in the municipal report, on the basis prescribed for miscellaneous local authorities in pages 126 to 129 of the Manual.

Changes in Accounting and Reporting Procedure

It will be inferred from the foregoing remarks concerning separate *fund* reporting that the basis outlined in this Manual will naturally involve some changes in the accounting and reporting procedure now followed in many municipalities. Officials should keep this in mind in studying the financial statements and instructions relating thereto and endeavour to visualize the variation in practice, if any, which may be necessary in respect of each and every item. Particular attention should be given to inter-fund balances (i.e., amounts due from or to other funds, or local authorities) and care should be taken to see that these are in balance as between the different funds affected.

Other Financial and Statistical Statements

While the financial statements provided for in this text represent the basic requirements of the average municipal report, to the extent that such may be applicable, they by no means represent the maximum in that regard; on the contrary, they may be considered as minimum requirements. Additional schedules supporting balance sheet or revenue and expenditure accounts may also be included, depending on the requirements of interested parties and the desire of the officials to publish reports which will be as useful and informative as possible. Some additional statements recommended, the content of which would depend on the size and type of the municipality concerned, are as follows:

1. Budget Operations—Estimated and Actual.
2. Sinking Fund and Other Investments:
   (*a*) Book Value, Cost and Market Value.
   (*b*) Sinking Fund Investments and Sinking Fund Debentures by years of maturity.
3. Cash Receipts and Payments (by funds).
4. Insurance Policies in force, including indemnity bonds on officials.
5. Municipal Employees (by funds):
   (*a*) Number
   (*b*) Salaries or Wages paid.

Also, many tables of a purely statistical nature may be included, in which regard there is shown in Appendix "C" of this volume the schedules of General Statistics which were adopted by the Dominion-Provincial Conferences on Municipal Statistics. The inclusion of any of these additional financial or statistical statements will considerably enhance the value of the published financial report.

Indexing Statements in Report

As balance sheets, surplus (deficit) accounts, and revenue (or income) and expenditure accounts constitute the principal financial statements in a report, it will be noted that these are referred to as "Exhibits", while the supplementary statements showing detail in support of items appearing in those statements are referred to as "Schedules". This is another step towards uniformity by which it may be possible to establish common usage of such reference terms. It will also be noted that designating letters (*a*), (*b*), etc., are used in conjunction with some of the *exhibits* and *schedules*, such as Exhibit II (*a*) on page 17, or Schedule 1 (*a*) on page 132. This is done because the statements in question do not apply to all municipalities; and one or all of these statements may be omitted from any report without disturbing the sequence of numbering of the other statements which are of general application.

Codification of Items

Reference should also be made to the fact that the various items are numbered independently in each statement. There is no intended correlation between items bearing the same numbers but appearing in different statements, although such may occasionally occur. The system of numbering items in the statements was employed mainly for the purpose of facilitating reference thereto, both in the Manual and elsewhere. It is intended, however, at some future date to give consideration to the development of a standard system of codification of assets, liabilities, revenues, and expenditures which may be adapted to the needs of any municipality.

Acknowledgments

In the course of preparing this Manual, many texts, reports, and forms devoted to similar or related matters were frequently referred to for both general and technical guidance; these comprised the following: publications of the Municipal Finance Officers Association on *Municipal Accounting*

Statements and related subjects; publications of the National Association of Railroad and Utilities Commissioners on *Uniform Systems of Accounts for Water, Electric and Gas Utilities:* forms, reports, and instruction texts published by the Department of Commerce, Bureau of the Census, Washington; forms and reports of the several provinces on municipal and utility statistics; and forms and reports of the Dominion Bureau of Statistics. This wealth of reference material was extremely helpful and the use thereof is gratefully acknowledged.

FORM 1

COMBINED BALANCE SHEET

COMBINED BALANCE SHEET

As at..... (Day) ..... (Month) .....19.....

EXHIBIT I

—	Capital and Loan Funds (General Section) Exhibit II	Sinking Fund Exhibit II (b)	Trust, Reserve and Agency Funds Exhibit II (c)	Revenue Fund (General Section) Exhibit III	Public Utility Exhibit VI	Housing Exhibit IX (H)	Cemetery Exhibit IX (C)	Other Local Authorities Exhibit XII	Total
ASSETS	$	$	$	$	$	$	$	$	$
1. Cash	8	1	1	1	1 and 10	1	1	4	
2. Investments (Securities):—									
21. Unmatured		2	2	2	2 and 10				
22. Matured and Unpaid		6							
3. Accounts Receivable:									
31. Sundry	9 (91)	5 and 7		3 (31)	3	2	2	5	
32. Contracts (or mortgages)				3 (32)		3			
33. Due from Other Municipalities	6 and 9 (92)			4					
34. Due from Province	9 (93)			5					
35. Due from Dominion	9 (94)			6					
4. Taxes Receivable				8					
5. Properties Held for Sale				9	10 (101)	4	3		
6. General Fixed Assets	1 and 2				9		4	1	
7. Due from Other Funds or Local Authorities:									
71. Schools—For Debentures	3								
72. Schools—Other than for Debentures	10			7					
73. Other than Schools	4, 5, 7 and 10	3	3	7	4 and 11	5	5	2 and 6	
8. Other Assets: (Specify)									
81. Inventories				10	5				
82. Accrued Items		4		11	6				
83. Deferred and Prepaid Charges					7				
84. Unamortized Discount	12				12				
85.									
9. Deficits and/or Extraordinary Expenses Capitalized	13								
10. Deficit		9		13	14	7	7	8	
Total	$	$	$	$	$	$	$	$	$

LIABILITIES	$	$	$	$	$	$	$	$	$
1. Bank Overdraft				1	1	1	1	6	
2. Temporary Loans	4			2	2	2	2		
3. Accounts Payable:									
31. Sundry	5 (51)	2	2	3	3	3	3	7	
32. Debentures and Coupons Due				4	4				
33. Due to Other Municipalities	2 and 5 (52)			5					
34. Due to Province				6					
35. Due to Dominion				7					
4. Debenture Debt	1				9 (92)				
5. Other Long-Term Indebtedness	3				10				
6. Due to Other Funds or Local Authorities:									
61. Schools	6			8					
62. Other than Schools	6	1 and 3	3	8	5, 9 (91) and 11	4 and 5	4 and 5	1, 2 and 8	
7. Other Liabilties: (Specify)									
71. Accrued Items				9	6				
72. Customers' Deposits					7				
73. Unamortized Premium	7				12				
74.									
75.									
8. Reserves for:									
81. Uncollectible Accounts Receivable				11 (111)	14 (141)	7 (71 and 72)	7 (71)	10 (101)	
82. Uncollectible Taxes and Interest Receivable				11 (112 and 113)					
83. Loss on Properties Held for Sale.				11 (114)		7 (73)			
84. Depreciation (General Fixed Assets)	9 (91)				14 (142)		7 (72)	4 (41)	
85. Trust, Reserve and Agency Fund Balances			1						
86. Other Purposes	9 (92, etc.)	5		11 (115, etc.)	14 (145, etc.)	7 (74, etc.)	7 (73, etc.)	4 (42, etc.)	10 (102, etc.)
9. Investment in Capital Assets	10							5	
10. Surplus:									
101. Capital Surplus					14 (143 and 144) and 15 (151)		8 (81)		
102. Unappropriated or Earned Surplus		6		12	15 (152)	8	8 (82)	11	
Total	$	$	$	$	$	$	$	$	$

COMBINED BALANCE SHEET

The purpose of this statement is to present in concise form the complete summarization of all assets, liabilities, reserves and surpluses of the municipal corporation including boards, commissions and other local authorities as well as all special functions or activities for which separate accounting is maintained, with the exception that balance sheet information of school authorities is excluded from this combined statement for the reasons outlined in the *introductory* remarks on page ix.

Also, the amounts in the "total" column to the right represent "Consolidated Balance Sheet" figures (excluding school authorities) by merely eliminating the total of item 73 of the assets and item 62 of the liabilities, which should be equal to each other.

The amounts appearing in the individual balance sheets should be entered in this statement according to the condensed classification of assets and liabilities set out to the left and totals for each item should be extended and entered in the extreme right hand column. In order to clarify the procedure in this regard, there is entered in each of the columns opposite the various asset and liability items, the number of the corresponding item or items appearing in the respective individual balance sheets. The only items which are not cross-indexed in this manner are those which would appear under the items "Other Assets" or "Other Liabilities" in each individual balance sheet. For the most part these would be entered under items 8 or 7 of the assets or liabilities respectively in this statement; but in some instances there may be amounts reported in this manner in the individual balance sheets which would be of the same nature as certain of the other items. It is therefore of utmost importance that the exact nature of all such assets and liabilities be clearly designated in the individual balance sheets so that they can be properly classified in the combined statement.

Attention is also drawn to item 7 of the assets and item 6 of the liabilities which refer to intra-municipal balances. Amounts due from and to schools are set out separately because the balance sheet information of school authorities is not provided for in the combined statement. The *totals* of all other accounts of this nature should be in exact agreement, i.e., the total of item 73 of the assets should agree with the total of item 62 of the liabilities.

While such a statement as this would normally appear as the first financial statement in the report, it can be prepared only after all of the individual balance sheets have been completed and are available for consolidation. For a thorough understanding of its application it should be carefully studied *again*, together with the accompanying explanations, after the remainder of the Manual has been given consideration.

FORM 2

CAPITAL AND LOAN FUNDS BALANCE SHEET

(General Section)

CAPITAL AND LOAN FUNDS BALANCE SHEET

(General Section)

As at.....19..... EXHIBIT II

(Day) (Month)

Form 2

ASSETS

1. General Fixed (Land, Buildings, Plant, Equipment, Streets, Sewers, Drainage, etc., including Local Improvements):
Schedule 1..... $.....
Less: Reserve for Depreciation—9 (91)..... .....
Net Total $.....

2. Works in Progress..... .....

3. Due from Schools (For Debentures):
31. Elementary—
311. Public School..... $.....
312. Continuation School..... .....
313. Separate School..... .....
Sub-Total $.....
32. Secondary—High School and Collegiate..... .....
33. Technical or Vocational School..... .....
34. ....
Sub-Total .....

4. Due from Utilities (For Debentures):
41. Water Supply System..... $.....
42. Electric Light and Power..... .....
43. Gas Supply System..... .....
44. Street Railway..... .....
45. Bus Lines..... .....
46. Telephone System..... .....
47. Central Heating..... .....
48. Ferries..... .....
49. Other: (Specify)
491. Airport..... .....
492. ....
493. ....
Sub-Total .....

5. Due from Institutional Services (For Debentures):
51. Housing..... $.....
52. Cemeteries..... .....
53. ....
Sub-Total .....

LIABILITIES

1. Debenture Debt (Excluding Unsold Debentures): Schedule 2
11. General—
111. Capitalized Deficits..... $.....
112. Direct (Unemployment) Relief..... .....
113. Hospitals..... .....
114. Libraries..... .....
115. Parks and Playgrounds..... .....
116. All Other General Debt..... .....
Sub-Total $.....
12. Drainage (Other than General)..... .....
13. Local Improvements—
131. Municipality's Share..... $.....
132. Owners' Share..... .....
Sub-Total .....
14. Schools—
141. Elementary—
1411. Public School. $.....
1412. Continuation School..... .....
1413. Separate School..... .....
Sub-Total $.....
142. Secondary-High School and Collegiate..... .....
143. Technical or Vocational School..... .....
144. ....
Sub-Total .....
15. Public Utilities—
151. Water Supply System..... $.....
152. Electric Light and Power..... .....
153. Gas Supply System..... .....
154. Street Railway..... .....
155. Bus Lines..... .....
156. Telephone System..... .....
157. Central Heating..... .....
158. Ferries..... .....
159. Other: (Specify)
1591. Airport..... .....
1592. ....
1593. ....
Sub-Total .....

6. Due from Other Municipalities for Debentures Assumed:
Schedule 1(a) ....

7. Due from Sinking Fund for Retirement of Debentures:
Exhibit II(b) ....

8. Cash ....

9. Accounts Receivable:
91. Sundry ..... $.....
92. Due from Other Municipalities (Other than for Debentures) ....
93. Due from Province ....
94. Due from Dominion ....
Sub-Total .....

10. Due from Other Funds (Other than for Debentures): (Specify)
101. ..... $.....
102. ....
Sub-Total .....

11. Other Tangible Assets: (Specify)
110. ..... $.....
111. ....
Sub-Total .....

12. Unamortized Discount ....

13. Deficits and/or Extraordinary Expenses Consolidated:
131. Direct Relief ..... $.....
132. Revenue Deficits Capitalized ....
133. Extraordinary Expenses ....
Sub-Total .....

Total Assets ..... $.....

16. Institutional Services—
161. Housing ..... $.....
162. Cemeteries ....
163. ....
Sub-Total .....
Sub-Total $.....

2. Due to Other Municipalities for Debentures Assumed:
Schedule 4(b) ....

3. Other Long-Term Indebtedness: (Specify)
31. ..... $.....
32. ....
Sub-Total .....

4. Temporary Loans ....

5. Accounts Payable:
51. Sundry ..... $.....
52. Due to Other Municipalities (Other than for Debentures) .....
53. ....
54. ....
Sub-Total .....

6. Due to Other Funds: (Specify)
61. ..... $.....
62. ....
Sub-Total .....

7. Unamortized Premium ....

8. Other Liabilities: (Specify)
81. ..... $.....
82. ....
Sub-Total .....

9. Reserves—Other than deducted from Assets: (Specify)
92. ..... $.....
93. ....
Sub-Total .....

10. Investment in Capital Assets ....

Total Liabilities ..... $.....

Guarantees or Contingent Liabilities ..... $.....
Detail shown in Exhibit II(a) (Form 3 on page 17).

CAPITAL AND LOAN FUNDS BALANCE SHEET

(General Section)

ASSETS

General Fixed

1. Fixed or permanent assets of the municipality, such as land, buildings, plant, equipment (including office furniture and public works equipment), parks, streets, bridges, subways, sewers and drains, other improvements (including local improvements), sewerage works, municipal drainage, etc. All such assets acquired through debenture issues, any part of which are still unmatured, should be shown at cost. Assets acquired through debenture issues which have matured or are fully repaid, and those acquired through revenue fund budget appropriations for capital expenditures, or through private donations or subsidies of other governments, should be shown at inventory or appraised value. Detail of this item is shown in Schedule 1 (Form 19 on page 130).

Assets of schools, utilities and institutional services (housing and cemeteries) are not included here but should be shown in the respective balance sheets of each activity. Also, PROPERTY ACQUIRED FOR TAXES is not included in this item, as such is an asset of the revenue fund and should be shown accordingly in that balance sheet under item 9.

Works in Progress

2. Expenditures on account of fixed or permanent assets which are in process of construction (uncompleted projects). These would include capital undertakings, the cost of which is being met or is to be met out of the proceeds from debenture issues, as well as those being acquired through revenue fund budget appropriations.

Do not include here expenditures or advances on account of capital undertakings of local authorities, such as schools, utilities or institutional services (housing and cemeteries); any such amounts provided out of capital and loan funds pending the issue of debentures would be reported under item 10, Due From Other Funds.

Due from Schools (For Debentures)

3. Amounts recoverable from school levies in respect of debentures unmatured which were issued by the municipality for or on behalf of school authorities. In other words, when debentures are issued by the municipality for school purposes the asset offsetting the debt so incurred should be reflected at an amount equal to the unmatured debenture debt, with the exception that when sinking fund debentures are issued the asset should be equal to the "Sinking Fund Debentures" *less* the "Reserve for Retirement of Sinking Fund Debentures", i.e., the original amount of the debt less the actuarial requirements of the sinking fund.

The book value of the physical properties and other assets of school authorities, whether or not acquired through the issue of debentures by the municipality, should be kept in separate accounting records and reported accordingly in the school balance sheets.

Due from Utilities (For Debentures)

4. Amounts recoverable from utilities in respect of debentures unmatured which were issued by the municipality. In other words, when debentures are issued by the municipality for utility purposes the asset offsetting the debt so incurred should be reflected at an amount equal to the unmatured debenture debt, with the exception that when sinking fund debentures are issued the asset should be equal to the "Sinking Fund Debentures" *less* the "Reserve for Retirement of Sinking Fund Debentures", i.e., the original amount of the debt less the actuarial requirements of the sinking fund.

The book value of the physical properties and other assets of utilities, whether or not acquired through the issue of debentures by the municipality, should be kept in separate accounting records and reported accordingly in their respective balance sheets.

Due from Institutional Services (For Debentures)

5. Amounts recoverable from Housing or Cemetery authorities in respect of debentures unmatured which were issued by the municipality. In other words, when debentures are issued by the municipality for such institutional services, the asset offsetting the debt so incurred should be reflected at an amount equal to the unmatured debenture debt, with the exception that when sinking fund debentures are issued the asset should be equal to the "Sinking Fund Debentures" *less* the "Reserve for Retirement of Sinking Fund Debentures", i.e., the original amount of the debt less the actuarial requirements of the sinking fund.

The book value of the physical properties and other assets of Housing or Cemetery authorities, whether or not acquired through the issue of debentures by the municipality, should be kept in separate accounting records and reported accordingly in their respective balance sheets.

Due from other Municipalities for Debentures Assumed

6. Amounts recoverable from other municipalities in respect of debentures unmatured. Other municipalities become liable for such amounts usually as a result of annexation of territory or the joint undertaking of capital works or improvements. This asset should be shown at an amount equal to the other municipalities' share of the unmatured debt assumed, unless sinking fund debentures were assumed, when the same principles would apply as explained previously in connection with items 3, 4, and 5. Detail of this item is shown in Schedule 1 (a) (Form 20 on Page 132).

Due from Sinking Fund for Retirement of Debentures

7. As the sinking fund assets, liabilities and reserves are to be reported in a separate balance sheet, Exhibit II (b) (Form 4 on page 19), this item represents the amount due from the sinking fund for retirement of debentures and should be equal to item 1 "Reserve for Retirement of Debentures", in the sinking fund balance sheet, which conversely is an amount due to the capital and loan funds. The credits offsetting this asset account are reflected in either items 3. 4, 5, 6 or 13 of the assets or item 9(91) of the liabilities, depending on the purpose for which the sinking fund debentures outstanding

were issued; reference to this fact is made in the instructions relating to each of these items.

Cash

8. The balance of cash on hand or deposit secured from: borrowings on capital account, which would include debenture sales, temporary bank loans and borrowings from other funds; grants, subsidies, or contributions from other governments towards capital undertakings; or gifts and bequests from private sources which are to be expended for capital purposes. Also, include here the balance of proceeds from the sale of capital assets, the disposition of which has not been determined.

Accounts Receivable

9. Amounts due and owing on open account from sundry persons, firms or corporations, and other governments in respect of work done on their behalf out of capital or loan funds; or for balances on account of commitments made towards sharing in the cost of capital undertakings. It is important that any such receivables be classified according to the detail set out in the balance sheet. Do not include here amounts due from other funds or from other local boards or commissions.

Due from other Funds

10. Amounts due from other funds of the municipality, including local boards or commissions, for advances out of capital and loan funds other than for debentures as provided for by items 3, 4, and 5; or for services provided, including the use of materials, supplies or equipment. These would include expenditures or advances on account of capital undertakings of local authorities pending the issue of debentures, as referred to in item 2, Works in Progress. The name and amount owing by each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding liabilities of the other funds are in agreement with the amounts shown here.

Other Tangible Assets

11. Assets of a current or liquid nature, other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet.

Unamortized Discount

12. Discount on the sale of debentures, (i.e., the excess of the par value over the amount for which they are sold) which has not been amortized or otherwise provided for.

Deficits and/or Extraordinary Expenses Consolidated

13. This item represents the asset of capital and loan funds offsetting any debenture debt incurred to provide funds to meet extraordinary expenses, or revenue fund deficits or expenses, such as direct relief, which normally are provided for out of yearly budget appropriations. In such cases there is no tangible or material asset acquired and the issuing of debentures merely provides means for the temporary financing of such obligations. Accordingly, such assets are to be reported at an amount equivalent to the unmatured debenture debt, with the exception that when sinking fund debentures are issued the asset should be equal to the "Sinking Fund Deben-

tures" *less* the "Reserve for Retirement of Sinking Fund Debentures", i.e., the original amount of the debt less the actuarial requirements of the sinking fund.

LIABILITIES

Debenture Debt

1. The gross amount of unmatured principal outstanding in respect of debentures issued by the municipality, including debentures issued for or on behalf of schools, utilities or other local authorities; but excluding any unsold debentures. Matured or past due instalments of debenture principal which have not been presented for payment or are in default, or payment of which has been deferred by agreement or otherwise, are *not* included here, as these are a liability of the revenue fund and should be reported in that balance sheet under item 4.

The debenture debt should be carefully subdivided according to the detail required by items 11 to 16 inclusive. For the most part this detail is self-explanatory. Debentures issued for *arenas, exhibitions* or *fairs* are to be reported as *general debt* under item 11(116), even though the annual debt charges thereon may be provided for wholly or in part from the operations of these enterprises. Also include in this item 11(116) any debentures issued to finance private enterprise, such as elevators or other businesses, even though the company has undertaken to reimburse the municipality for the annual debt charges.

Debentures issued for utility purposes should be reported under item 15, whether or not the operation and management of the utility is placed under a separate board or commission, or retained under the direct jurisdiction and control of council; and the same applies even though the annual debt charges on any utility debentures are provided by council, either wholly or in part, through tax levies. The classification of the debt is not based on the system of management or the method employed to provide funds to meet the annual debt charges. Also, in cases where one set of debentures has been issued covering two or more types of work, such as, sewers (general) and watermains (utility) the total amount outstanding should be divided proportionately so as to provide a correct classification of the debt; the portion relating to the former should be reported under item 11(116) and the latter portion under item 15(151). Detail of this item is shown in Schedule 2 (Form 21 on page 134).

Due to other Municipalities for Debentures Assumed

2. The amount of unmatured *principal* outstanding on account of debentures assumed from other municipalities as a result of annexation of territory or the joint undertaking of capital works or improvements. Detail of this item is shown in Schedule 4(b) (Form 26 on page 140).

Other Long-term Indebtedness

3. Liabilities of Capital and Loan Funds, other than debentures or debentures assumed, which are not of a current or liquid nature, such as treasury bills and mortgages, or other liabilities payable under long-term contract or agreement.

Also show here amounts due to the Dominion Government for advances under the *Municipal Improvements Assistance Act, 1938,* including both the balance owing on account of loans in respect of completed projects, as well as interim advances on uncompleted projects.

Temporary Loans

4. Amounts owing on account of borrowings from banks or other sources for the purpose of temporary financing in connection with capital undertakings. Do not include any borrowings for relief or other current expenses even though such are to be funded by the issue of debentures; *these are revenue fund borrowings and are to be reported in the revenue fund balance sheet.*

Accounts Payable

5. Amounts due and owing on open account to sundry persons, firms or corporations and other governments for services rendered, including labour, material, supplies or equipment, as well as contractors' progress estimates and expropriation claims or judgments arising from damage actions, in connection with capital undertakings. It is important that any amounts due to either the Dominion or Provincial Governments be shown separately, in addition to the detail set out in the balance sheet. Do not include here amounts due to other funds or to local boards or commissions.

Due to other Funds

6. Amounts due to other funds of the municipality, including local boards or commissions, on account of advances for capital purposes in lieu of temporary borrowings from banks or other sources, or for services rendered, including the use of materials, supplies or equipment. The name and amount owing to each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding assets of the other funds are in agreement with the amounts reported here.

Unamortized Premium

7. Premium on the sale of debentures, (i.e., the excess of the selling price over the par value) which has not been amortized or otherwise taken into credit.

Other Liabilities

8. Liabilities other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet.

Reserve(s) for: Depreciation

9. The balance of amounts credited to reserve account for depreciation against *general fixed assets.* Generally, such a reserve applies only to assets acquired through the issue of debentures, part of which are still unmatured, when it represents the total debenture principal matured unless the debentures were issued on the sinking fund plan, when it represents the *reserve for retirement of sinking fund debentures.* This reserve is shown in the balance sheet as a deduction from General Fixed Assets. (When the debentures have fully matured, the reserve is then transferred to the account, "Investment in Capital Assets").

Other Purposes

Reserves other than for depreciation against general fixed assets should be reported separately and the exact nature thereof clearly indicated.

Reserves for depreciation or other purposes of schools, utilities, institutional services or other local authorities are not included here but should be reported in the respective balance sheets of each activity.

Investment in Capital Assets

10. The excess of assets over liabilities and reserves of the Capital and Loan Funds. It represents the municipality's equity in capital assets, in this instance of the general section only, i.e., exclusive of schools, utilities, institutional services, and other local authorities.

Form 3

GUARANTEES

As at..... (Day) ..... (Month) 19... **EXHIBIT II (a)**

Name of Principal Debtor	By-law No.	Maturity Date	Rate of Interest	Original Amount of Debt	Principal Outstanding Dec. 31st, 19...	Amount of Payments in Default by Debtor	Amount of Default Paid by Guarantor
(*a*) Other Municipal or School Corporations							
.....	.....	.....	.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total.....				$.....	$.....	$.....	$.....
(*b*) Private Corporations, Companies or Persons							
.....	.....	.....	.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total.....				$.....	$.....	$.....	$.....
Grand Total.....				$.....	$.....	$.....	$.....

NOTE —Mark "X" opposite debts guaranteed as to principal only. Mark "Y" opposite debts guaranteed as to interest only. All other debts will be considered guaranteed as to both principal and interest.

Sinking Funds against Total of (*a*) Above (if any).....	$.....
Sinking Funds against Total of (*b*) Above (if any).....	$.....
Total Sinking Funds.....	$.....

REMARKS.—(Give explanations where necessary to assure a clear understanding in respect of any of above Guarantees. Also note here any other Indirect or Contingent Liabilities).

.....

.....

.....

Explanatory Notes:

The purpose of this statement is to show the detail of indirect liabilities of the municipality. These exist principally in the form of "guarantees" of bonds, debentures, stock or other securities issued by other municipal or school corporations or by private corporations, companies or persons, but other indirect or contingent liabilities should also be included.

The columnar headings of the statement indicate the nature of the information required in respect of guarantees only, which should be divided between guarantees of debentures or other liabilities of other municipalities and school corporations (section (*a*)), and guarantees of liabilities of private corporations, companies or persons (section (*b*)). Guarantees as to *principal only* or *interest only* should be clearly identified according to instructions contained in the "note" at the foot of the statement. Sinking funds held by the issuing authority against principal guarantees should be ascertained and included in the statement by the reporting municipality. Other pertinent information in respect of any particular item or items should be noted under "Remarks" so as to assure a clear understanding of the exact nature of the guarantee.

Indirect or contingent liabilities other than guarantees should be detailed under "Remarks" at the foot of the statement.

FORM 4

SINKING FUND BALANCE SHEET

Form 4

SINKING FUND BALANCE SHEET

As at.....19....
(Day) (Month)

ASSETS

1. Cash			$.....
2. Investments (Issued or Guaranteed by):			
21. Dominion Government		$.....	
22. Provincial Governments—			
221. British Columbia	$.....		
222. Alberta	.....		
223. Saskatchewan	.....		
224. Manitoba	.....		
225. Ontario	.....		
226. Quebec	.....		
227. New Brunswick	.....		
228. Nova Scotia	.....		
229. Prince Edward Island	.....		
Sub-Total	.....		
23. Municipal Governments (excl. Own)		.....	
24. Own Municipality		.....	
25. School Corporations		.....	
26. Others: (Specify)			
261.	$.....		
262.	.....		
Sub-Total	.....		
Sub-Total		.....	
3. Due from Other Funds: (Specify)			
31.		$.....	
32.		.....	
Sub-Total		.....	
4. Accrued Interest			.....
5. Interest Due and Unpaid on Investments Unmatured			.....
6. Investments Matured and Unpaid			.....
7. Interest Unpaid on Investments Matured			.....
8. Other Assets: (Specify)			
81.		$.....	
82.		.....	
Sub-Total		.....	
9. Deficit			.....
Total Assets			$.....

SINKING FUND BALANCE SHEET

As at.....19.... EXHIBIT II(b)
Day (Month)

LIABILITIES

1. Reserve for Retirement of Debentures (Due to Capital and Loan Funds, Exhibit II):			
11. General		$.....	
12. Drainage (Other than General)		.....	
13. Local Improvements		.....	
14. Schools		.....	
15. Public Utilities—			
151. Water Supply System	$.....		
152. Electric Light and Power	.....		
153. Gas Supply System	.....		
154. Street Railway	.....		
155. Bus Lines	.....		
156. Telephone System	.....		
157. Central Heating	.....		
158. Ferries	.....		
159. Other: (Specify)			
1591. Airport	.....		
1592.	.....		
1593.	.....		
Sub-Total		.....	
16. Institutional Services—			
161. Housing	$.....		
162. Cemeteries	.....		
163.	.....		
Sub-Total		.....	
		Sub-Total	$.....
2. Accounts Payable			.....
3. Due to Other Funds: (Specify)			
31.		$.....	
32.		.....	
		Sub-Total	.....
4. Other Liabilities: (Specify)			
41.		$.....	
42.		.....	
		Sub-Total	.....
5. Investment Reserve(s)			.....
6. Surplus			.....
Total Liabilities			$.....

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SINKING FUND BALANCE SHEET

ASSETS

1. The balance of cash on hand or deposit in the sinking fund which has not been invested. **Cash**

2. Bonds, debentures, stock or other securities in which monies deposited in the sinking fund have been invested; these should be classified according to the detail shown in the balance sheet. Securities guaranteed as to principal are to be classified as investments of the *guarantor* and not as investments of the issuing authority; i.e., bonds issued by a provincial government, the principal of which has been guaranteed by the Dominion Government, would be included as Dominion Government investments; or debentures issued by a municipality, the principal of which has been guaranteed by the Provincial Government would be included as a Provincial Government investment; and similarly with respect to securities guaranteed by either your own or other municipalities. **Investments**

Also, it should be noted that investments in debentures of your own municipality, which have been guaranteed by another municipality, would be included under item 23; and investments in debentures of other municipalities guaranteed by your own municipality would be included under item 24.

Investments issued or guaranteed by School Corporations (item 25) refer to bonds, debentures, stock or other securities of school authorities which have the right to incur debt in their own name independently of the municipal corporation in which they may be situated, such as debentures of school corporations in Quebec, Manitoba, and some of the other provinces, or of Separate Schools in Ontario. Thus, these should not be confused with debentures issued by municipal corporations for or on behalf of their local school authorities.

Investments in securities issued or guaranteed by other than government or school corporations (item 26) would include those of companies subsidized by the Dominion of Canada, as well as securities of Loan or Trust Companies, and other such authorized investments.

Investments should be shown at book value, which should be on a cost basis, with due effect given to the amortization of premiums or discounts, as the case may be.

Matured or past due securities are not to be included here but reported under item 6.

3. Amounts due from revenue or other funds of the municipality, which would consist principally of amounts due from revenue fund on account of periodic sinking fund deposit requirements but would also include amounts due on account of temporary advances to other funds out of deposits in the sinking fund. **Due from Other Funds**

The name and amount owing by each other fund (or local authority) should be shown separately in the balance sheet;

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and care should be taken to see that the corresponding liabilities of the other funds are in agreement with the amounts included here.

Accrued Interest

4. Interest earned during the fiscal period which is not due or payable until a date in the next succeeding fiscal period. In other words, this item represents the amount of interest accrued on investments unmatured for the period from the last interest due date to the close of the fiscal period.

Interest due and unpaid on investments unmatured is not to be included here but reported under item 5.

Interest due and Unpaid on Invesments Unmatured

5. Interest on investments unmatured which was due but unpaid at the close of the fiscal period.

Investments Matured and Unpaid

6. Investments due and payable (matured) in either the current or previous fiscal periods but which were not redeemed by the issuing authority as at the close of the current fiscal period. This may arise from non-presentation of securities for payment, the fact that the maturity date is too close to the end of the fiscal period to permit payment therein, or it may be due to default in payment of the securities by the issuing authority.

Interest Unpaid on Investments Matured

7. Interest due and payable, but which was not paid, on investments unmatured reported under item 6.

Other Assets

8. Assets of the sinking fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Cash deposited with the province on sinking fund account or with a trust company (trust deposits) or with other depositaries should be included here and *not* under item 1.

Deficit

9. The amount by which the "reserve for retirement of debentures" and other liabilities, including investment reserve(s), exceed the assets of the sinking fund.

LIABILITIES

Reserve for Retirement of Debentures

1. The amount of cash and other resources that *should be on hand* in the sinking fund as at the close of the fiscal period; in other words it is what is commonly known as the *actuarial requirements* of the fund in respect of sinking fund debentures outstanding. The total reserve should be carefully subdivided according to the different purposes for which the debentures were issued as shown by the classification set out in the balance sheet. This item actually represents the liability of the sinking fund to *capital and loan funds* for retirement of debentures issued on the sinking fund plan, and should be equal to item 7 of the assets in the Capital and Loan Funds Balance Sheet Exhibit II (Form 2 on page 7).

Accounts Payable

2. Amounts due and owing which are payable out of cash or other resources of the sinking fund but *not* including any amounts owing to other funds of the municipality.

3. Amounts due to other funds of the municipality which would arise principally as a result of ordered withdrawals for revenue purposes not being paid over at the close of the fiscal period; temporary borrowings for the payment of matured sinking fund debentures pending the liquidation of securities held as investments on that account in the sinking fund; or as a result of the overpayment of revenue fund deposits into the sinking fund. **Due to Other Funds**

The name and amount owing to each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding assets of the other funds are in agreement with the amounts included here.

4. Liabilities of the sinking fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. **Other Liabilities**

5. Amounts set aside out of surplus earnings of the sinking fund as a reserve against possible losses which may arise from the redemption or liquidation of investments or other assets of the sinking fund for an amount less than the book value. **Investment Reserve(s)**

6. The amount by which the assets exceed the "reserve for retirement of debentures" and other liabilities, including investment reserve(s), of the sinking fund. **Surplus**

Explanatory Note:

The Sinking Funds (Assets and Liabilities) herein referred to are to include only those relating to debentures issued by the municipal corporation itself. Sinking funds of school corporations or other bodies that issued their own debentures must not be included, even though the funds are held or administered by the municipal corporation. When this latter situation exists, the municipality merely acts as trustee or agent for and on behalf of the independent authority; accordingly the assets and liabilities of any sinking funds so held are to be included in the Trust, Reserve and Agency Fund Balance Sheet, Exhibit II (c) (Form 5 on page 26).

TRUST, RESERVE AND AGENCY FUNDS BALANCE SHEET

As at.....(Day).....(Month).....19...

EXHIBIT II (c)

—	Memorial or Endowment Trust Funds	Insurance Reserve Funds	Civic Pension Funds	Other (Specify)	Total All Funds
ASSETS					
1. Cash	$.....	$.....	$.....	$.....	$.....
2. Investments:					
21. Dominion Government..	$.....	$.....	$.....	$.....	$.....
22. Provincial Governments: (Specify)	.....	.....	.....	.....	.....
221.	.....	.....	.....	.....	.....
222.	.....	.....	.....	.....	.....
223.	.....	.....	.....	.....	.....
224.	.....	.....	.....	.....	.....
225.	.....	.....	.....	.....	.....
23. Municipal Governments (Excl. Own).....	.....	.....	.....	.....	.....
24. Own Municipality.....	.....	.....	.....	.....	.....
25. School Corporations.....	.....	.....	.....	.....	.....
26. Others: (Specify)					
261.	.....	.....	.....	.....	.....
262.	.....	.....	.....	.....	.....
Total Investments.....	$.....	$.....	$.....	$.....	$.....
3. Due from Other Funds: (Specify)					
31.	.....	.....	.....	.....	.....
32.	.....	.....	.....	.....	.....
33.	.....	.....	.....	.....	.....
4. Other Assets: (Specify)					
41.	.....	.....	.....	.....	.....
42.	.....	.....	.....	.....	.....
43.	.....	.....	.....	.....	.....
Total Assets.....	$	$	$	$	$
LIABILITIES					
1. Trust, Reserve or Agency Fund Balance.....	$.....	$.....	$.....	$.....	$.....
2. Accounts Payable.....	.....	.....	.....	.....	.....
3. Due to Other Funds: (Specify)					
31.	.....	.....	.....	.....	.....
32.	.....	.....	.....	.....	.....
33.	.....	.....	.....	.....	.....
4. Other Liabilities: (Specify)					
41.	.....	.....	.....	.....	.....
42.	.....	.....	.....	.....	.....
43.	.....	.....	.....	.....	.....
Total Liabilities.....	$.....	$.....	$.....	$.....	$.....

TRUST, RESERVE AND AGENCY FUNDS BALANCE SHEET

This balance sheet is for reporting the financial position of all trust, reserve or agency funds in the hands of the municiapl corporation. It is important that all such fund balances be reported separately and not included in the individual balance sheets of the local authorities which are charged with the custody and management of the funds.

Trust Funds would include *Guaranty Deposits*, such as contractors' deposits or holdbacks; *Local Improvement (or other) Commutation Funds; Clergy Reserve Funds; Perpetual Care Funds*, as in respect of cemeteries or cemetery plots; *Memorial or other Endowment Funds* as to cemeteries, hospitals, libraries or parks, and other sundry trust or endowment funds as well as *Deposits in Trust.*

Reserve Funds would include *Workmen's (or other) Compensation Reserve Funds; Insurance (public liability or other) Reserve Funds;* and *Special Depreciation Reserve Funds.*

Agency Funds would include *Civic Pension Funds; Police Pension or Benefit Funds; Firemen's Pension or Benefit Funds* and others of the same character.

If possible, each fund should be reported in a separate column in the balance sheet such as illustrated by the sample headings. Any consolidation of funds should be limited to those of a similar character.

ASSETS

1. The balance of cash on hand or on deposit in the trust, reserve or agency funds which has not been invested. **Cash**

2. Bonds, debentures, stock or other securities in which monies deposited in the trust, reserve or agency funds have been invested; these should be classified according to the detail shown in the balance sheet. The same procedure should be followed in this regard as in the case of classifying sinking fund investments. (See page 23 for detailed explanation). **Investments**

3. Amounts due from revenue or other funds of the municipality, which would consist principally of deposits due to either reserve or agency funds; but would also include amounts due on account of temporary advances to other funds out of trust, reserve or agency funds, as well as inter-fund balances between these funds. **Due from Other Funds**

The name and amount owing by each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding liabilities of the other funds are in agreement with the amounts included here.

4. Assets of trust, reserve or agency funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Cash deposited with **Other Assets**

a trust company or other depositaries which are *trust* or *guaranteed* should be included here and *not* under item 1. Also include here such items as *Accrued Interest on Investments, Interest Due and Unpaid on Investments Unmatured, Investments Matured and Unpaid, and Interest Unpaid on Investments Matured*, all of which are explained on page 24 in relation to the sinking fund balance sheet.

LIABILITIES

Trust, Reserve or Agency Fund Balance

1. This represents the liability of each different fund in respect of the trust, reserve or agency created.

In the case of a *trust fund* arising from a *bequest, gift or endowment*, the fund balance would represent the amount of the original bequest(s), gift(s) or endowment(s) if the principal thereof is to be held intact; but if in addition to the earnings or income from the trust, the principal is also to be gradually expended, this account would then represent the reduced balance of the trust. *Commutation Funds* would fall within this latter category.

A *Deposit In Trust* usually bears interest until it is returned or applied in accordance with the intention or agreement at the time of making the deposit, in which case the fund balance represents the amount accumulated to the credit of the person or other authority from which the deposit was received.

A *Perpetual Care Fund* may be one of three different varieties, namely, a *fixed trust* where the principal remains intact, a *wasting trust* where the principal as well as the income is expendable, or what might be termed a *progressive or cumulative trust* which is one where the principal is added to from time to time as well as being expendable, such as in the case of a *Cemetery Perpetual Care Fund* where the proceeds from the sale of plots are to be held in trust for the care and maintenance of the cemetery. In these cases the fund balance would vary according to the nature of the trust.

The fund balance of a *reserve or agency fund* represents the amount accumulated to its credit unless it is established on an actuarial basis, when a "reserve" equal to the actuarial requirements would represent the fund balance. This may be the case in respect of some civic pension funds, in which event the difference between the assets of the fund and the reserve would represent a surplus or deficit and be shown accordingly under item 4 of either the assets or liabilities, as the case may be.

It is important that the fund balance be reported in accordance with the terms or conditions of the trust, reserve or agency created as outlined above and that amounts payable or commitments due in the fiscal period but unpaid at the close of the period be reported separately under item 2.

Accounts Payable

2. Amounts due and owing which are payable out of the cash or other resources of the trust, reserve or agency funds, but *not* including any amounts owing to other funds of the municipality.

3. Amounts due to revenue or other funds of the municipality which would consist principally of amounts due on account of borrowings to meet either the provisions of a trust or amounts due and payable out of reserve or agency funds, pending the liquidation of securities held on that account; but would also include inter-fund balances between any trust, reserve or agency funds. **Due to Other Funds**

The name and amount owing to each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding assets of the other funds are in agreement with the amounts included here.

4. Liabilities of trust, reserve or agency funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. **Other Liabilities**

FORM 6

REVENUE FUND BALANCE SHEET

(General Section)

54564—4½

Form 6

REVENUE FUND BALANCE SHEET

(General Section)

As at.....19....
(Day) (Month)

ASSETS

1. Cash			$.....
2. Investments			.....
3. Accounts Receivable: (Specify)			
31. Sundry Accounts and Rents Receivable	$.....		
32. Agreements	.....		
33.	.....		
	Sub-Total	$.....	
Less: Reserve for Uncollectible Accounts Receivable—11 (111)	.....		
		Net Total	.....
4. Due from Other Municipalities: (Specify)			
41. Debentures Assumed		$.....	
42.		.....	
43.		.....	
		Sub-Total	.....
5. Due from Province: (Specify)			
51. Unemployment Relief		$.....	
52.		.....	
53.		.....	
		Sub-Total	.....
6. Due from Dominion of Canada: (Specify)			
61.		$.....	
62.		.....	
		Sub-Total	.....
7. Due from Local Boards and Commissions or Other Funds: (Specify)			
71.		$.....	
72.		.....	
73.		.....	
		Sub-Total	.....
8. Taxes Receivable: Schedules 6 and 7			
81. Taxes (Principal only)	$.....		
82. Interest or Penalties on Taxes Receivable	.....		
83. Tax Arrears Agreements	.....		
	Sub-Total	$.....	
Less Reserves for—Uncollectible Taxes—11 (112)	$.....		
Interest on Taxes Receivable—11 (113)	.....		
	Sub-Total	$.....	
		Net Total	.....
9. Property Acquired for Taxes: Schedule 8			
91. Subject to Redemption	$.....		
92. Deeded to Municipality	.....		
	Sub-Total	$.....	
Less: Reserve for Property Acquired for Taxes—11 (114)	.....		
		Net Total	.....
10. Inventories			.....
11. Accrued Items: (Specify)			
111.		$.....	
112.		.....	
113.		.....	
		Sub-Total	.....
12. Other Assets: (Specify)			
121.		$.....	
122.		.....	
123.		.....	
		Sub-Total	.....
13. Deficit—Exhibit IV			.....
Total Assets			$.....

REVENUE FUND BALANCE SHEET

(General Section)

As at.....19.....
(Day) (Month)

EXHIBIT III

LIABILITIES

1. Bank Overdrafts		$.....
2. Temporary Loans		.....
3. Accounts Payable		.....
4. Debentures and Coupons Due:		
41. Principal	$.....	
42. Interest	.....	
Sub-Total		.....
5. Due to Other Municipalities: (Specify)		
51. Debentures Assumed:		
511. Principal	$.....	
512. Interest	.....	
Sub-Total	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Due to Province: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Due to Dominion of Canada: (Specify)		
71.	$.....	
72.	.....	
Sub-Total		.....
8. Due to Local Boards and Commissions or Other Funds: (Specify)		
81.	$.....	
82.	.....	
83.	.....	
Sub-Total		.....
9. Accrued Items: (Specify)		
91.	$.....	
92.	.....	
93.	.....	
Sub-Total		.....
10. Other Liabilities: (Specify)		
101.	$.....	
102.	.....	
103.	.....	
Sub-Total		.....
11. Reserves—Other than Deducted from Assets: (Specify)		
115. For Uncollected Taxes	$.....	
116.	.....	
117.	.....	
Sub-Total		.....
12. Surplus—Exhibit IV		.....
Total Liabilities		$.....

Guarantees or Contingent Liabilities $.....
Detail Shown in Exhibit II(a) (Form 3 on Page 17).

REVENUE FUND BALANCE SHEET

(General Section)

ASSETS

1. The balance of cash on hand or deposit in all general or special drawing or deposit accounts for banking transactions covering operations or other purposes relating to the revenue fund. Special accounts in which are deposited amounts to meet specific commitments out of revenue fund, such as for "debentures and coupons" should also be included as well as advances to or balances on hand in imprest and petty cash accounts. Only the net position of all such accounts should be shown, i.e., if an overdraft exists in one or more accounts and others have balances on deposit, only the excess of deposits over the overdrafts would be shown here. (If the overdrafts exceed the balances on deposit, the excess would be shown under item 1 of the liabilities). Outstanding cheques should also be included and not shown separately as a liability. **Cash**

2. Bonds, debentures, stock, or other securities purchased or acquired for the purpose of temporarily investing cash pending the need of the funds for the purposes for which originally intended. **Investments**

3. Amounts due and owing by sundry persons, firms or corporations, other than governmental bodies. Rents include amounts owing on account of rentals of municipally-owned property including that acquired for taxes. **Accounts Receivable**

Amounts receivable which are covered by special agreements providing for specific terms as to time and mode of payment, such as would arise from the sale of municipally-owned property when the purchase price is paid in instalments, should be shown separately as indicated in the balance sheet. Other amounts receivable, which are of a special character from the standpoint of security for repayment or liquidity of the account, should also be shown separately.

4. Amounts due and owing by other municipalities. It is important that any such receivables be shown separately and not included as ordinary accounts receivable under item 3. Amounts due on account of debentures assumed should be shown separately; these would represent *past due* payments of principal or interest. (The unmatured portion of any such debentures assumed would be shown under item 6 of the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 7); (see explanation on page 12). **Due from Other Municipalities**

5. Amounts due and owing by the Provincial Government for *Unemployment Relief, Road or Highway subsidies,* or other purposes. It is important that any such receivables be shown separately and not included as ordinary accounts receivable under item 3. **Due from Province**

Due from Dominion of Canada

6. Amounts due and owing by the Dominion of Canada, such as for direct grants or subsidies for research enterprises or other purposes as well as for advances out of revenue funds in connection with Federal works or other projects. It is important that any such receivables be shown separately and not included as ordinary accounts receivable under item 3.

Due from Local Boards and Commissions or Other Funds

7. Amounts due and owing by local boards and commissions (or other local authorities), or other "funds" of the municipality for advances out of revenue funds or for services provided, including the use of materials, supplies, or equipment. These would include any amounts due revenue fund by *Capital and Loan Funds, Sinking Fund,* and *Trust, Reserve or Agency Funds,* as well as amounts due by *School Boards, Water Supply Systems, Hydro-Electric Systems* or other utilities, *Housing enterprises* and *Cemetery Boards;* and all other local activities for which separate balance sheets would be prepared as a result of independent accounting records being maintained, such as for *hospitals, libraries, parks,* etc., and *working capital funds.*

Amounts due from sinking fund would include ordered withdrawals therefrom for revenue purposes not paid over at the close of the fiscal period; temporary advances for the payment of matured sinking fund debentures pending the liquidation of securities held as investments on that account in the sinking fund; and overpayments of deposits into the sinking fund.

The name and amount owing by each other fund, local authority or activity should be shown separately in the balance sheet; and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here.

While reference has been made to boards and commissions (i.e., bodies duly constituted under statutory authority such as a school board, or board of school trustees, hydro-electric commission or board of water commissioners) it also applies in each instance to such activities, even though the administration and management is not under the jurisdiction and control of an independent board or commission, as the case may be. For instance, a water supply system not constituted as a utility commission under statutory authority, but managed and operated under the direct juridsiction and control of council, would still fall within this category from the standpoint of reporting amounts due the revenue fund of the municipality. This is essential for purposes of uniformity.

Taxes Receivable

8. The total amount of unpaid taxes levied by the municipality, including interest and/or penalties accrued thereon; these would include *current taxes, tax arrears* (unpaid taxes other than those of the current year), and amounts outstanding under *agreements* that have been entered into *for the consolidation of tax arrears.* Interest or penalties would include those which, *by statute, are required to be added* as well as other

penalties that *may be added by by-law* of the municipality; wherever possible these should be shown separately from the principal amount of taxes outstanding as indicated by the detail in the balance sheet. Also show separately amounts outstanding under tax consolidations (tax arrears agreements). Detail of this item is shown in Schedules 6 and 7 (Forms 28 and 29 on pages 144 and 146).

Property Acquired for Taxes

9. The book value of properties acquired or purchased by the municipality at land tax sales for arrears of taxes, or by tax certificate registration, or other procedure for the same purpose. Properties which are still *subject to redemption* by the former owners or other interested parties should be shown separately from those for which the period of redemption has expired and title is *vested in the name of the municipality*, as indicated in the balance sheet. All properties in the latter category should be reported accordingly even though the tax title deeds have not actually been executed or registered by the municipality. Detail of this item is shown in Schedule 8 (Form 30 on page 146).

When such properties are sold on the instalment plan the profit or loss on the sale should be written off and the amount owing by the purchaser transferred to item 3, *Accounts Receivable.* (The practice of applying the instalment payments against the book value until the purchase price is paid in full should not be followed except in those provinces where the legal requirements respecting such sales make it necessary that this be done.)

Inventories

10. The inventory value of consumable goods or supplies on hand.

Accrued Items

11. Revenues earned but not yet due such as accrued interest on investments or accrued rentals. The exact nature of any such accrued items should be clearly indicated in the balance sheet.

Other Assets

12. Assets of the revenue fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. For instance the balance of "Tax Sale Account" at the end of the fiscal period, detail of which is shown in Schedule 9 (Form 31 on page 148), would be included here, as well as "Deferred Charges" such as unexpired insurance premiums, relief expenditures *to be* funded or others of a similar character. Care should be exercised, however, to see that no asset is shown here which should properly be shown under any of the other items.

Deficit

13. The amount by which the liabilities and reserves of the revenue fund (general section) exceed the assets.

LIABILITIES

Bank Overdrafts

1. The amount by which the bank account(s) for transactions covering operations or other purposes relating to the revenue fund, are overdrawn; provided, however, that only

the net position of all such accounts should be shown, as explained on page 35 in connection with item 1 of the assets.

Temporary Loans

2. Amounts owing on account of borrowings from banks or other sources for the purpose of temporary financing pending the collection of taxes or other revenues. Include borrowings to meet current relief expenditures pending receipt of government grants-in-aid; or if any portion of current relief expenditures are to be funded, also include borrowings on that account pending the issue of debentures.

Accounts Payable

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies. Include all accounts covering expenditures during the current or previous fiscal periods which had not been paid at the close of the current fiscal period.

Debentures and Coupons Due

4. The amount of debenture principal and/or interest coupons which were past due but unpaid at the close of the fiscal period. Normally these are outstanding due to non-presentation for payment or the fact that the due date is too close to the end of the fiscal period to permit payment to be made therein; but any maturities (principal or interest) in default, or payment of which has been deferred by agreement or otherwise, should also be included. Do not include here accrued interest on outstanding debentures; if it is the practice to accrue debenture interest such should be shown under item 9. Also, do not show here any debenture principal or interest pre-levies (i.e., levies made in the current fiscal period on account of debenture maturities (principal or interest) which are not due and payable until a date in the following fiscal period); such should be shown under item 10.

Amounts owing on account of debentures or coupons redeemed by the Province as guarantor should be shown as a liability "Due to Province" under item 6; and the same procedure should be followed with respect to guaranteed debentures or coupons redeemed by other guarantors.

Due to Other Municipalities

5. Amounts due and owing to other municipalities. It is important that any such payables be shown separately and not included as ordinary accounts payable under item 3. Amounts owing on account of past due payments of principal or interest in respect of debentures assumed should be shown separately. (The unmatured portion of any such debentures assumed would be shown under item 2 of the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 7); (see explanation on page 14).

Due to Province

6. Amounts due and owing to the Provincial Government, such as for the implementation of guaranteed bank loans, debentures or interest coupons or for other advances. It is important that any such liabilities be shown separately and not included as ordinary accounts payable under item 3.

Due to Dominion of Canada

7. Amounts due and owing to the Dominion of Canada such as for deductions from payrolls for national defence tax

or for other purposes. It is important that any such liabilities be shown separately and not included as ordinary accounts payable under item 3.

8. Amounts due and owing to local boards and commissions (or other local authorities) or other "funds" of the municipality on account of borrowings for revenue fund purposes, or for services provided including the use of materials, supplies or equipment, as well as for other purposes, such as amounts due to sinking fund on account of annual sinking fund requirements. **Due to Local Boards and Commissions or Other Funds**

These would include any amounts due by revenue fund to *Capital and Loan Funds*, *Sinking Fund* and *Trust, Reserve or Agency Funds*, as well as amounts due to *School Boards, Water Supply Systems, Hydro-Electric Systems* or other utilities, *Housing enterprises* and *Cemetery Boards;* and all other local authorities for which separate balance sheets would be prepared as a result of independent accounting records being maintained, such as for *hospitals, libraries, parks,* etc., and *working capital funds.*

The name and amount owing to each other fund, local authority or activity should be shown separately in the balance sheet; and care should be taken to see that the assets of the other funds are in agreement with the amounts shown here.

9. Amounts representing expenditures of the current fiscal period but which are not due and payable in the fiscal period such as accrued interest on temporary loans or other notes payable. Also include here accrued interest on outstanding debentures, if such a practice is followed. The exact nature of each item should be clearly indicated in the balance sheet. **Accrued Items**

10. Liabilities of the revenue fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. For instance, if it is the practice to provide in the yearly tax levies for debenture maturities, principal or interest, in advance of their due date (i.e. levy in one year for maturities due in the next, or following years) the liability reflecting such "pre-levies" would be reported under this item as "Deferred Revenue-Debenture Levies in Advance of Maturity". Also include here other prepaid or deferred revenues as well as the unexpended balance of levies against "special areas" of the municipality; the latter may arise from the fact that certain services such as garbage, sewerage, police or fire protection, etc., are provided only in limited areas of the municipality, and the costs or expenditures are kept separate and levied against the specific area benefited. The levies in such instances very rarely, if ever, exactly equal the expenditures so that there is usually a balance carried over from year to year. Credit balances on account of such levies would thus be shown here; and debit balances shown under the corresponding item 12 of the assets. **Other Liabilities**

Reserves for:

Uncollectible Accounts Receivable

Uncollectible Taxes

Property Acquired for Taxes

Interest on Taxes Receivable

Other Purposes

11. The balance of amounts provided as reserves for losses due to the inability to collect or realize the full book value of revenue fund assets, or for other purposes relating to revenue fund operations. For the most part these would consist of *Reserve for Uncollectible Accounts Receivable, Reserve for Uncollectible Taxes Receivable* and *Reserve for Property Acquired for Taxes,* each of which should be kept separate and deducted from the relative assets to which they apply as indicated in the balance sheet. (It will be noted that the reserve against taxes receivable is shown in two parts—*reserve for uncollectible taxes* and *reserve for interest on taxes receivable*—to conform with the segregation of taxes (principal) outstanding from interest or penalties thereon). Other reserves should also be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet.

In Ontario, some municipalities may have a *reserve for uncollected taxes.* This differs from a reserve for uncollectible taxes in that it is based on the amount of taxes, which although collectible, may not be collected during the year in which levied. It is thus in effect a "financing" reserve and should be kept separate from others relating to taxes receivable.

Surplus

12. The amount by which the assets of the revenue fund (general section) exceed the liabilities and reserves.

FORM 7

REVENUE FUND SURPLUS (DEFICIT) ACCOUNT

(General Section)

Form 7

REVENUE FUND SURPLUS (DEFICIT) ACCOUNT

(General Section)

For the Fiscal Year ended..... .....19... EXHIBIT IV
(Day) (Month)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year	$.....	$.....	
2. Surplus or Deficit included in Current Budget—Transferred to Revenue and Expenditure Account, Exhibit V	.....	.....	$.....
3. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
4. Balance after Above Adjustments			$.....
5. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
6. Surplus or Deficit for Year Under Review—Brought Forward from Revenue and Expenditure Account, Exhibit V	.....	.....	
7. Amount of Unemployment Relief to be Funded		.....	
8. Balance of Surplus or Deficit at End of Year—Carried Forward to Revenue Fund Balance Sheet, Exhibit III	.....	.....	$.....
9. Totals of Debit and Credit Columns	$.....	$.....	

REVENUE FUND SURPLUS (DEFICIT) ACCOUNT
(General Section)

The purpose of this statement is to show the changes during the fiscal year in the revenue fund surplus (or deficit); thus it actually represents an analysis, in condensed form, of the general ledger account.

1. The balance of the account at the beginning of the year, the amount of which would be shown in *either* the debit or credit column, as the case may be.

2. The portion of the surplus or deficit from previous years actually taken into the current year's budget, which would be shown either as a debit or credit, respectively, as the case may be. The amount shown here should agree with that shown under items 14 or 16 of the revenues or expenditures, respectively, in Exhibit V (Form 8 on page 45).

Also, opposite this item extend the balance of the account.

3. Adjustments directly affecting operations of previous years are to be shown under this item. Such may arise from underestimating or overestimating accounts receivable or payable in setting them up at the close of the year or from failure to provide for certain outstanding accounts or other unpaid commitments. Only the net result of entries of a similar character should be shown; thus if there were two adjustments relating to accounts receivable, one arising from underestimating the amount (a credit to the account) and the other arising from overestimating the amount (a debit to the account), only the net difference between the two should be shown. The same treatment should be accorded other adjusting entries or transactions relating to operations of previous years.

4. Extend the balance of the account after giving effect to the adjustments shown under item 3.

5. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to current budget, which should be summarized according to character and *only the net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts, profits or losses on sale of property acquired for taxes, transfers to or from sinking fund (if such is permitted by law), inventory write-offs or adjustments and other write-offs or adjustments relating to balance sheet accounts.

6. The Surplus (credit) or Deficit (debit) for the current fiscal year. The amount shown here should agree with either item 18 of the expenditure section or item 16 of the revenue section, respectively, as shown in Exhibit V (Form 8 on page 45).

7. The amount of the adjustment (credit) to set up the deferred charge in respect of any unemployment relief expenditures for the current fiscal year which are to be funded. In other words, revenues and expenditures in respect of unemployment relief are to be reported "gross" in the Revenue and Expenditure Account, so that the entry setting up the deferred charge at the close of the year would be credited to surplus account.

8. The balance of the account at the close of the year should be extended opposite this item; and in addition entered in either the debit or credit column as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 13 of the assets or item 12 of the liabilities, as the case may be, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

FORM 8

REVENUE AND EXPENDITURE ACCOUNT

(General Section)

Form 8

REVENUE AND EXPENDITURE ACCOUNT

(General Section)

For the Fiscal Year ended.....19....
(Day) (Month)

REVENUE

1. Taxation:			
11. Municipal Purposes (excluding School Taxes)—			
111. Real Property:			
1111. Land	$.....		
1112. Improvements (Buildings, etc.)	.....		
1113. Local Improvements (Property Owners' Share)	.....		
Sub-Total	$.....		
112. Personal	.....		
113. Business	.....		
114. Income	.....		
115. Poll	.....		
116. Amusement (Municipality's Share)	.....		
117. Sales	.....		
118. Household and Tenant	.....		
119. Other: (Specify)			
1191.	.....		
1192.	.....		
Sub-Total		$.....	
12. School Purposes—			
121. Elementary—Public, Continuation and Separate School	$.....		
122. Secondary—High School and Collegiate	.....		
123. Technical or Vocational School	.....		
124. Other: (Specify)			
1241.	.....		
1242.	.....		
Sub-Total	.....		
Sub-Total		$.....	
2. Licences and Permits:			
21. Professional and Business	$.....		
22. Other	.....		
Sub-Total		.....	
3. Rents, Concessions and Franchises			.....
4. Law Enforcement			.....
5. Investment Earnings			.....
6. Service Charges			.....
7. Recreation and Community Services:			
71. Recreation Services	$.....		
72. Community Services	.....		
Sub-Total		.....	
8. Grants and Subsidies from Other Governments:			
81. Dominion	$.....		
82. Provincial (Excluding Relief)	.....		
83. Provincial—Unemployment Relief	.....		
84. Other Municipalities	.....		
Sub-Total		.....	
9. Debenture Debt Charges Recoverable: Schedule 10			.....
10. Miscellaneous (N.O.P.)			.....
11. Public Utilities (Surplus Taken into Revenue)			.....
12. Institutional Services (Surplus Taken into Revenue)			.....
13. Total Revenue			$.....
14. Surplus from Previous Years (If used)—transferred from Surplus (Deficit) Account—Exhibit IV			.....
15. Total			$.....
16. Deficit for Year (Excess of Expenditure over Revenue)—Carried forward to Surplus (Deficit) Account—Exhibit IV			.....
17. Grand Total Revenue Section			$.....

REVENUE AND EXPENDITURE ACCOUNT

(General Section)

For the Fiscal Year ended.....19....
(Day) (Month)

EXHIBIT V

EXPENDITURE

1. General Government:		
11. Executive and Legislative	$.....	
12. Administrative	.....	
13. Other General Government Expenditures	.....	
Sub-Total		$.....
2. Protection to Persons and Property:		
21. Fire Protection	$.....	
22. Police Protection	.....	
23. Law Enforcement	.....	
24. Protective Inspection	.....	
25. Street Lighting	.....	
26. Destruction of Pests	.....	
27. Other Protection: (Specify)		
271.	.....	
272.	.....	
Sub-Total		.....
3. Public Works		.....
4. Sanitation and Waste Removal		.....
5. Conservation of Health		.....
6. Public Welfare:		
61. Unemployment Relief	$.....	
62. Charity and Miscellaneous Welfare	.....	
63. Child Welfare	.....	
64. Hospitalization and Medical Services	.....	
65. Disaster Emergencies	.....	
66. Other: (Specify)		
661.	.....	
662.	.....	
Sub-Total		.....
7. Education:		
71. Elementary:		
711. Public School	$.....	
712. Continuation School	.....	
713. Separate School	.....	
72. Secondary—High School and Collegiate	.....	
73. Technical or Vocational School	.....	
74. Other: (Specify)		
.....	.....	
.....	.....	
Sub-Total		.....
8. Recreation and Community Services:		
81. Recreation Services	$.....	
82. Community Services	.....	
Sub-Total		.....
9. Debt Charges:		
91. Debenture Debt Charges: Schedule 11	$.....	
92. Temporary Debt Charges	.....	
93. Discount on Taxes	.....	
Sub-Total		.....
10. Public Utilities (Deficits Provided)		.....
11. Institutional Services (Deficits Provided)		.....
12. Municipal Levy for Utilities and Institutional Services: (Exclusive of Deficits)		
121. Public Utilities	$.....	
122. Institutional Services	.....	
Sub-Total		.....
13. Capital Expenditure Provided Out of Revenue: Schedule 12		.....
14. Joint or Special Expenditures (N.O.P.): (Specify)		
141.	$.....	
142.	.....	
143.	.....	
Sub-Total		.....
15. Total Expenditure		$.....
16. Deficits from Previous Years (If any)—Transferred from Surplus (Deficit) Account—Exhibit IV		.....
17. Total		$.....
18. Surplus for Year (Excess of Revenue over Expenditure)—Carried forward to Surplus (Deficit) Account—Exhibit IV		.....
19. Grand Total Expenditure Section		$.....

This statement should not be confused with a statement of "receipts and payments (or disbursements)" which is merely a summary of cash received and paid out during a given period. A statement of revenue and expenditure includes all revenues for or applicable to a given period (whether or not actually received in cash) and only those expenditures incurred in earning that revenue or which are to be paid out of same (whether or not actually paid for in cash). Thus the revenues of a municipality for any one year consist of the amounts received or receivable from the imposition of taxes, rates or other charges and from miscellaneous sources; and expenditures for any one year consist of the amounts paid or to be paid in respect of the cost of services to be met out of or by the aforementioned taxes, rates and other revenue from miscellaneous sources. Assets or liabilities of previous years which may be included in the current year's budget are *not* revenues or expenditures but represent "surplus" or "deficit" provided for and should be reported accordingly in the revenue and expenditure statement.

Normally, all revenues and expenditures are to be shown gross; exceptions to this rule infrequently occur, however, and in such cases specific reference is made herein to the contrary.

It should be noted that this is only a summarized or condensed statement of revenues and expenditures. The detail to be included in each of the principal items is, however, referred to in the following explanations.

REVENUE

Taxation

1. It will be noted from the explanations which follow, subject to the exceptions dealt with in Appendix "A" as referred to in the next following paragraph, that taxation revenue is to include not only the total of taxes imposed or levied on the basis of assessed valuations of real or personal property and income, which amounts generally constitute the total of the yearly tax roll, but also other forms or types of taxes which are based on factors other than assessed valuations and which may or may not form part of the yearly tax roll. For instance, real property, personal, and income taxes are taxes based on assessed valuations and form part of the yearly tax roll; yet levies for *Local Improvements—Property Owners' Share* (also known and referred to in some provinces as "special assessments") although forming part of the yearly tax roll are not based on assessed valuations but are direct charges against benefiting properties based on frontage. Similarly, in the case of Household and/or Tenant Taxes, which, although not always based on assessed valuations but sometimes on rental values, usually form part of the yearly tax roll; and Poll Tax, which is usually based on capitation and may or may not form part of the tax roll.

Special Taxes for Provincial Governments, etc.

Certain special forms or types of taxes are levied by many local municipalities which are also based mostly on assessed valuations but sometimes on other factors and yet such do not represent taxation revenue for either municipal or school purposes from the standpoint of the local municipality. These are dealt with separately in Appendix "A" to which reference should be made at this time in order to properly determine the disposition of the total taxes either generally or specially rated in any one year.

While other charges may appear on the yearly tax roll such are generally placed thereon for collection and would be credited direct to accounts receivable or to liability accounts or reported under other revenue accounts and would not form part of taxation revenue. An illustration of the foregoing would be: charges for weed cutting on private property—a credit to accounts receivable; utility rates arrears placed on the roll for collection—a credit to the utility account; dog taxes or licence fees—a credit to licences and permits (item 2); areaway charges or encroachment privilege fees—also a credit to licences and permits (item 2). Also, included in this same category would be amounts sometimes appearing on the tax roll which represent service charges (a credit to item 6) covering the cost of such services as garbage collection, street flushing, snow removal, street watering or oiling, when they are not provided generally throughout the municipality. The charge for such services is usually based on *frontage* of the properties concerned, except in the case of garbage collection, when a flat rate or fixed charge is usually made; however, as many variations in practice occur in the method of providing for the cost of these services, careful consideration should be given as to whether such should be reported as *taxation revenue* or revenue from *service charges*, the principal determining factors being the basis of the charge and the extent to which it applies to all ratepayers in the municipality.

Subject to the foregoing the total tax levy should be segregated as between taxes levied for *municipal purposes* and taxes levied for and on behalf of *local school authorities*. Rebates, remissions or write-offs of taxes levied for the current year should be applied against the original charge and only the *net* amount included as taxation revenue; this applies also to direct charges, such as for local improvements or water frontage rates, against properties owned by the municipality, so that only the *net charges* to private property owners is shown as a revenue. (Discounts on taxes, either for prompt payment or prepayment are, however, *not* to be treated in like manner but should be shown as an expenditure under item 9 (93).

Municipal Purposes

Taxation for municipal purposes should be further apportioned according to the basis of the tax as follows:

Real Property, which includes that portion of the total taxes imposed or levied upon the assessed valuation of land and buildings or other improvements on or to the land, as well as *Local Improvements—Property Owners' Share,* being

the total of direct charges placed on the roll against the owners of property benefiting from the improvements. (In some Quebec municipalities these are known and referred to as "special assessments"). The latter applies to the owners' share of the annual debt charges (principal or sinking fund instalment and interest) on debentures issued for local improvements; but in the case of Ontario, also include as such, levies under the Tile Drainage Act for debentures as well as levies for either debentures or maintenance under the Municipal Drainage Act. Also include in this same item, *Water Frontage Rates* included in the yearly tax roll; as a rule these are levied only against properties for which water service is available but not being used, such as vacant properties abutting on streets or areas serviced with watermains.

Personal—The portion of the total taxes imposed or levied upon the assessed valuation of personal property such as stock-in-trade, movable machinery and tools, livestock, furniture and fixtures, personal and other household effects and other chattels; but not including income.

Business—The portion of the total taxes imposed or levied upon the assessed valuation of business enterprises, including professional, commercial, industrial, etc. It should be noted that such business assessed valuation may be based either upon the assessed valuation or the rental value of the property concerned or on the area or storage capacity of the premises occupied. Business licences, however, should not be included here but shown under item 2.

Income—The portion of the total taxes imposed or levied upon the assessed valuation of income, including that of individuals as well as professional, commercial, industrial and other business enterprises. This applies to those municipalities which in their own right impose an income tax in addition to that which may be imposed by either or both the Dominion and Provincial Governments.

Poll—A capitation or head tax imposed by municipalities in some provinces usually against male inhabitants only within certain prescribed limitations, but sometimes including females.

Amusement (*Municipality's share*)—A tax imposed on admissions to certain prescribed forms of amusement. In the Province of Saskatchewan some municipalities levy such a tax direct. In the Province of Quebec the tax is imposed by provincial statute but collected by the municipalities, part retained by them and the remainder paid over to the Province. Only the municipalities' share of such tax revenue is to be shown here.

Sales—The revenue derived from the imposition of a tax on sales of goods or commodities.

Household and/or Tenant—The revenue derived from the imposition of any special tax or rate against householders (owners or tenants); it may be based on a percentage of the assessed valuation and applicable to all householders or based on the rental value and applicable only to tenants.

Other—Revenues from the imposition of special forms or types of taxes other than those specifically provided for, the exact nature of which should be clearly indicated in the revenue statement, such as *Mineral* and *Timber* taxes in Alberta.

School Purposes

Taxes levied for elementary, secondary, and technical or vocational schools should be shown separately wherever such a division of educational activities is maintained. This applies only to those municipalities which levy and collect school taxes for and on behalf of local school authorities; tax revenue levied and collected by school authorities direct is *not* to be included.

Do not include as taxation revenue for school purposes amounts provided by the municipality for tuition fees, grants payable to school authorities such as township school grants in Ontario, amounts provided for educational purposes by counties in New Brunswick and Ontario, and amounts provided by cities, towns and county municipalities in Nova Scotia for the Municipal School Fund; these are municipal contributions towards the support of educational institutions and as such should be included in the *municipal* levy.

Licences and Permits

2. Revenue derived from licensing *Professional and Business* activities should be shown separately from *Other* licence or permit revenue.

Professional licences are those applying to individuals or firms engaged in specialized professional activities, trades or occupations; these would include accountants or auditors, auctioneers, brokers and agents, contractors, elevator operators, engineers, lawyers, motion picture operators, photographers and photographic studios, repairmen and skilled craftsmen as well as carpenters, lathers, masons, plasterers, plumbers and other skilled labourers.

Business licences are those applying to manufacturers, wholesalers, retailers, shopkeepers or storekeepers and other merchandising concerns, which may be further classified as follows:

Beverage Licences

Alcoholic or
Non-alcoholic

Health Licences

Barber Shops
Bath Houses
Bakeries
Butchers or Meat Dealers
Dairies or Milk Dealers
Grocery Stores
Hotels
Hospitals
Restaurants
Etc.

Manufacturing Licences

Abattoirs
Meat Packers
Etc.

Protective Licences	*Merchandising Licences*
Garages	Chain, Clothing, Department and Drygoods Stores
Gas Stations	Manufacturers' Agents or Commission Merchants
Parking Lots	Newsdealers
Pawn Shops	Etc.
Pedlars and Vendors	
Second Hand Stores or Junk Dealers	
Explosives or Firearms (but not the use thereof)	
Etc.	

In most instances businesses are licensed primarily for regulation with the revenue incidental to the regulation but in some provinces they are licensed primarily for revenue (in lieu of business tax as referred to under item 1 above) with the regulation incidental thereto. Irrespective of the foregoing, the revenue derived from all such business licences should be included here.

Other licences or permits would include, in addition to any miscellaneous revenue therefrom not specifically referred to:

Amusement—Licences issued for places of amusement or for amusement activities or events, such as,—amusement or athletic parks, circuses, dance halls, golf courses, pool and billiard rooms, carnivals or street fairs, theatres and halls or other places in which games or other amusements may be held.

Vehicles—Licences issued for motor vehicles, bicycles wagons, carriages.

Animals—Licences or tags issued in respect of dogs, cats or other animals. In some instances the licensing of dogs is referred to as "dog tax" but notwithstanding such a categorical or statutory reference, the revenue derived therefrom should be included here.

Building Permits—Structural permits covering buildings or additions thereto as well as plumbing and wiring permits, etc.

Billboard, blasting, excavating or wrecking privileges, parking meter fees, permits for *overhanging signs, stands, platforms,* and *other street privileges.*

Also include in this category revenue from building encroachments or areaway charges, which may or may not be imposed or collected through the medium of the tax roll.

NOTE: Usually a document called a licence or permit is issued as evidence of permission being granted to carry on the business or exercise any of the privileges for which the fee is paid, but the fact that this may not be done should not alter the classification or reporting of such revenues according to the above.

3. This item would include, in addition to any miscellaneous revenue therefrom not specifically referred to: **Rents, Concessions and Franchises**

Sundry Rentals—Revenue derived from the private occupancy or use of municipally-owned property such as for rent of office or store space in civic buildings, rentals from

property acquired for taxes (vacant or built upon) or from other properties (land or buildings) which are not required for the uses of the corporation.

Concessions and Privileges—Revenue derived from the granting of concessions or privileges to private persons in connection with municipal functions or activities.

Exhibitions and Fairs—Revenue derived from the holding of fairs or exhibitions by the municipality which would include admission fees, restaurant or refreshment booth privileges, display privileges, stall rentals, midway or other entertainment privileges and other sundry revenues arising therefrom.

Franchises—Revenue derived from the granting of franchises, such as for transportation, electric light and power, gas, central heating or other facilities, to privately owned utilities.

Law Enforcement

4. This item would include, in addition to any miscellaneous revenue therefrom not specifically referred to:

Court Fines and Fees—Revenue derived from fines and penalties imposed for infractions of statutes or local by-laws the administration of which falls within the jurisdiction of the courts. Traffic or other fines even though paid without the formality of a court should be included here as well as sheriff's court costs or fees and forfeited bail.

Other Fines and Fees—Revenue from fines or fees imposed by the municipality or department thereof, other than the judiciary, such as for the impounding of animals or infraction of park regulations. Also include public library fines when such is not operated by a library board.

Investment Earnings

5. This item would include, in addition to any miscellaneous revenue therefrom not specifically referred to:

Interest Earnings on Bank Deposits.

Tax Sale Redemption Penalties—Penalties, if any, accruing to the municipality, as a result of the redemption of properties acquired for taxes.

Interest or Penalties on Taxes—Revenue arising from the imposition of interest or penalties on taxes levied by the municipality, which would include those *specifically required to be added by statute* as well as others that *may be added by by-law* of the municipality.

Sinking Fund Excess Earnings—Surpluses arising from the operation of sinking funds which have been taken into revenue for the current year.

Contributions From Other Funds—Interest on advances by revenue fund to local boards, commissions or other funds of the corporation, as well as any amounts accruing to the revenue fund as a result of a pro-rata or other distribution of investment earnings of other funds.

Interest Earnings on Investments, such as on securities in which revenue account funds are invested temporarily, unless the securities are held in respect of a special reserve account which, by statute, is to include interest earnings on the investments.

6. This item would include, in addition to any miscellaneous revenue therefrom not specifically referred to: **Service Charges**

Commissions on Collections—Commissions, fees or deductions from amounts collected by the municipality for or on behalf of individuals, firms or corporations and other governments.

Certificates and Search Fees—Revenues derived from fees for issuing tax or other certificates as well as search fees such as for providing information from assessment or tax rolls.

Net Revenue for Work Done for Individuals or Corporations—In many instances the municipality does certain work for private individuals or corporations such as the laying of sidewalks, sewer connections or driveways. Only the net profit or revenue (i.e., after deducting all charges or costs incidental thereto) on any such work is to be shown.

Sanitary and Other Services—Revenues derived from such things as garbage collection where the service is performed privately by contract or public tender. Also include revenue from special charges to cover the cost of such services as garbage collection, street flushing, snow removal, street oiling or watering, when they are not provided generally throughout the municipality but limited to specific properties or areas. In some instances the persons benefited are billed direct for the cost of same; in others the cost of the service is levied for in the yearly tax roll either at a flat rate or fixed charge, or on the basis of a *special area* or *frontage* rate, depending on the nature of the service involved. (For additional information in this regard see also explanation on page 50 in connection with item 1, Taxation Revenue).

7. This item would include, in addition to any miscellaneous revenues therefrom not specifically referred to: **Recreation and Community Services**

Municipal Golf Courses, Swimming Pools, Beaches and Baths, Amusement Parks and Playgrounds, Skating Rinks and Arenas (***Recreational Services***)—The *gross* revenues derived from the use or operation of such services. If operated directly by the municipality these would include membership dues, admission or green fees, locker fees and others for club privileges as well as revenues from the serving of meals or refreshments or from concession privileges in that regard. If the operation is let to a private party or organization by tender, contract or agreement or on a percentage basis of gross or net income, only the amount accruing to the municipality under any such arrangement would be shown.

Amusement Parks and Playgrounds should not be confused with parks, public squares or similar ornamental areas which are primarily established and maintained for the beautification of the municipality. The term *amusement parks* in this instance has the same meaning as *playgrounds* in that both refer principally to outdoor play or recreational areas in which participation is the primary consideration.

Community Centres and Halls, Tourist Camps, Markets, Weigh Scales (***Community Services***)—The *gross* revenues derived from the use or operation of such services, which would consist principally of fees or rentals for the use thereof but would also include revenues from any subsidiary facilities which are provided in conjunction therewith, such as: checking privileges or refreshment stands in public halls or other community centre establishments; restaurants, refreshment stands, boat liveries, bathing facilities or domestic privileges (cooking, laundering, etc.) in tourist camps; and similar facilities which might be provided in conjunction with markets or other community services.

Grants and Subsidies from Other Governments

8. Grants or subsidies received or receivable (other than for debentures) from the Dominion or Provincial Government or from other municipalities in respect of the current year's operations, which should be segregated accordingly as shown by the Revenue and Expenditure Account.

Provincial Government grants would include the *municipal subsidy* (Ontario), *road subsidies, health* and other special grants; and any *grant-in-aid,* subsidy or contribution towards the gross current expenditures for *unemployment relief,* which should be shown separately from other provincial grants.

In addition to grants from other municipalities, such as those payable by counties to local municipalities in Ontario, also include amounts received or receivable for services rendered directly by one municipality to another, such as fees or charges for attending fires in adjacent municipalities.

Do not include here government grants for hospitals or schools; these should be shown as revenues of the respective activities for which separate statements of revenue (or income) and expenditure should be reported.

Debenture Debt Charges Recoverable

9. For the most part, these recoverables would consist principally of amounts equivalent to the annual debt charges (principal or sinking fund instalments and interest) on debentures issued by the municipality for or on behalf of utilities, or institutional services such as housing or cemeteries. They also include, however, amounts recoverable from other municipalities for debt charges on debentures assumed, as well as amounts recoverable from private individuals, firms or corporations for debt charges on debentures issued by the municipality for or on their behalf.

The full amount of the debt charges on debentures issued for or on behalf of utilities, housing or cemeteries should be shown here as a recoverable whether or not the operation and

management thereof is under the jurisdiction of a local board or commission or under the direct jurisdiction of council; also this same procedure should be followed whether or not the debt charges are provided wholly or in part, out of the rates or other income of the enterprise. In other words, the municipality may provide for the debt charges, wholly or in part, through taxation (either by general or special area rate, or by direct charge such as for local improvements) or the debt charges may be met in full out of the rates charged to customers for the service or facilities provided; but notwithstanding which of these methods is followed, the full amount of the debt charges should be shown here as a recoverable. Under the former circumstances this statement would show, in addition to the full amount of the debt charges, both as an expenditure under item 9 and as a revenue under this item, an expenditure under item 12 for the amount included in the tax levy on account of such debt charges. For further explanation of this procedure reference should also be made at this time to the explanations on page 71 relating to item 9 of the expenditures and to the explanations on pages 94 and 95 relating to items 3 of the income and 10 of the expenditures, respectively, for a Water Supply System.

Do not include here grants or contributions from the provincial or other governments in respect of debentures issued by the municipality for school purposes; such amounts should be credited direct to the account of the local school authority, even though paid to the municipal corporation, and shown as a debenture grant or recoverable in the school revenue and expenditure statement.

Detail of this item is shown in Schedule 10 (Form 32 on page 149).

Miscellaneous, N.O.P.

10. Include here revenues from sundry sources not otherwise provided for in the statement. Care should be exercised, however, to see that only those which cannot properly be classified under any of the other items are included.

Public Utilities (Surplus taken into Revenue)

11. The portion of utility surplus(es) for either the current or previous years which was actually taken into revenue fund account by the municipality as a general revenue of the current fiscal year. Any such amounts included here should agree with the relative amounts shown under item 6 of Exhibit(s) VII (Form 10 on page 86). Also include here any amounts received or receivable from utilities, under agreement or otherwise, in lieu of taxes; this situation arises from the fact that in some provinces the property of utilities is exempt from taxation and voluntary contributions are made by the utility to the general revenues of the municipality.

Institutional Services (Surplus taken into Revenue)

12. The portion of either the current or previous year's surpluses of institutional services (housing and cemeteries) which was actually taken into revenue fund account by the municipality as a general revenue of the current fiscal year. The amounts included here should agree with relative amounts

shown under item 6 of Exhibits X(H) and X(C) (Forms 13 and 16 on pages 104 and 118 respectively).

13. The total revenue for the current fiscal year (items 1 to 12 inclusive).

Surplus from Previous Years (If used)

14. The portion of the revenue fund surplus from previous years actually taken into the current year's budget. Assets of previous years included in the current year's budget represent a *surplus* and should be shown here accordingly. The amount of this item should agree with the relative amount shown under item 2 of Exhibit IV (Form 7 on page 42).

15. The total of items 13 and 14.

Deficit for Year

16. The amount by which item 17 of the expenditures exceeds item 15 above.

17. The total of items 15 and 16.

EXPENDITURE

General Government

1. Expenditures which cannot properly be classified under items 2 to 14 inclusive, which should be further segregated as follows:

Executive and Legislative, which would include the office of:

Mayor, Reeve or Warden—Salaries, honorariums, fees or other remuneration including mileage allowances of the Mayor, Reeve or Warden and of the secretarial and other staff, as well as stationery, supplies and other general expenses incurred directly in connection with the office or position of head of the municipality.

Controllers—Salaries, honorariums, fees or other remuneration of members of the Board of Control (exclusive of the mayor) and of the secretarial and other staff, as well as stationery, supplies and other general expenses incurred directly in connection with the office or position of controller of the municipality.

Aldermen or Councillors—Salaries, honorariums, fees or other remuneration, including mileage allowances of members of council (other than the head or members of the board of control). If separate offices are provided for the individual or joint use of aldermen or councillors, any secretarial and other staff salaries, as well as stationery, supplies and other general expenses in connection with such offices, should also be included.

Administrative, which would include the offices of:

Commissioner, Manager or Comptroller—Salaries, honorariums, fees or other remuneration of the Commissioner of Finance, City or Town Manager, or Comptroller, the deputy (or assistant), and accountants, clerks, stenographers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the administration of this office.

Clerk—Salaries, honorariums, fees or other remuneration of the Clerk, the Assistant Clerk, and clerks, stenographers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the administration of this office.

Treasurer—Salaries, honorariums, fees or other remuneration of the Treasurer, the Assistant Treasurer, and accountants, cashiers, clerks, stenographers and other staff, as well as stationery, supplies and other general expenses incurred directly in connection with the administration of this office.

Assessor—Salaries, honorariums, fees or other remuneration of the Assessment Commissioner or Assessor, the Assistant Assessor and subordinate assessors, clerks, stenographers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the administration of this office.

Collector—Salaries, honorariums, fees or other remuneration of the Tax Collector (or equivalent official), the Assistant Tax Collector and subordinate collectors, accountants, cashiers, clerks, stenographers and other staff as well as stationery, supplies, and other general expenses incurred directly in connection with the administration of this office.

Auditor—If there is an "internal" auditor, all salaries or wages of the Auditor, the Assistant Auditor and audit clerks, stenographers and other staff as well as stationery, supplies and other expenses incurred directly in connection with the administration of this office, would be included. If there is an "independent (or external)" auditor, the total fees or other remuneration, according to the auditing contract or agreement, would be included, as well as any fees for special work in addition thereto. In the latter instance general office expenses are frequently provided; these should also be included wherever this practice is followed.

Solicitor or Corporation Counsel—Salaries, honorariums, fees or other remuneration of the Solicitor, the Assistant Solicitor and clerks, stenographers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the administration of this office; and where an outside solicitor is engaged on a retainer or fee basis, include amounts paid or payable for services rendered.

Purchasing Agent—Salaries, honorariums, fees or other remuneration of the head and other staff as well as stationery, supplies and other general expenses of a Purchasing Department established separate and distinct from other administrative departments.

Sinking Fund Trustees—Salaries, honorariums, fees or other remuneration of members, and office staff, as well as stationery, supplies and other general expenses of a "Board of Trustees" or "Trust Commission" established separate and apart from other administrative departments, principally to look after the management and operation of sinking funds.

In some instances the trustees are also given jurisdiction over other functions, such as power of administration of municipal properties (rentals, maintenance and sales, etc.); or jurisdiction over transactions relating to the funded debt of the municipality, (i.e., the payment of interest thereon and repayment of principal). The fact that any such additional duties are performed by the trustees should not alter the reporting of their expenses as outlined above, and all revenues and expenditures or other transactions incidental to or arising from the additional duties should be reported according to the exact nature or classification thereof as heretofore or hereafter defined and *not* considered as part of administrative expenses.

Other General Government Expenditures—Expenditures which are incidental to general governmental activities such as for:

Elections—General and special, including registrations, cost of printing voters' lists and ballots, rent of polling booths, remuneration to returning officers, deputies, poll clerks and other officials specially employed, as well as costs of judicial inquiries and recounts concerning elections.

Civic Office Buildings—Maintenance and repairs, including salaries or wages of buildings employees as well as supplies, heat, light and power, water, insurance, etc. If the buildings are rented from private ownership, the rental charge should also be included.

NOTE: Expenditures of Police and Fire Departments or other service departments in this connection should not be included here but shown as expenditures of the respective departments concerned.

Provision for Reserves—For uncollectible or uncollected taxes and for other purposes, provided, however, that such should be limited to financing reserves or those providing for possible losses in the realization of revenue fund assets. Provision for reserves for the replacement or acquisition of fixed assets should not be included here but shown under item 13.

Conventions and Delegations—Travelling and other expenses of municipal representatives attending conferences or conventions.

Pensions—Municipal contributions to established pension or superannuation funds and gratuitous or compassionate allowances to former employees, but not including pensions or allowances paid out of pension or superannuation funds. Costs of administration of any such funds, if provided by the municipality, should be included above under *Administrative.*

Town Planning or Zoning—Remuneration and other expenses of persons, boards or commissions engaged in full or part-time employment in connection therewith.

Public Receptions—Entertainment of visiting officials and dignitaries, as well as banquets, receptions, etc., for local citizens or organizations.

General Accident and Damage Claims by the public, whether settled privately or through court proceedings. (Do not include injury claims of municipal employees which should be shown as an expenditure of the department in which employed).

Publicity or Industrial Bureau—Remuneration and other expenses of persons, bureaus or committees for the promotion of tourist attractions and for community development of business and industrial activity. Grants to similar private organizations as well as community and promotional advertising should also be included.

Maintenance of Property Acquired for Taxes—Insurance, repairs, water rates and other maintenance charges, but not including administrative salaries and other expenses of a *Property Department* which should be included above under *Administrative.*

Courts of Revision—Remuneration to members and other expenses in connection therewith.

Share of Registry Office Expenses wherever applicable.

Grants—To associations, societies, etc., other than for the promotion or betterment of public health and welfare or other specific services separately classified.

War and Other Emergencies—Salaries, wages and other expenses in connection therewith, such as for Air Raid Precaution, and local defence units for guarding municipal properties.

Implementing Guarantees—Payments on account of guarantees for either principal or interest on debentures, or for other obligations of private persons, firms or corporations and other municipalities.

Protection to Persons and Property

2. Expenditures falling within this major classification should be carefully segregated according to departmental or principal functional activities as follows:

Fire Protection—Expenditures of the fire department or for fire-fighting activities which, in addition to any not specifically referred to, would include:

Administration—Salaries or wages of the Fire Chief, his immediate assistant(s) and clerks, stenographers and other staff, as well as stationery, supplies and other general expenses incurred directly in connection with the supervision or administration of the department's activities.

Fire Fighting Force—Salaries or wages of district chiefs, inspectors, captains, lieutenants, sergeants, firemen and other personnel assigned to engine or truck service, fireboat service, salvage and rescue squads, as well as expenditures for a volunteer force; and in addition the costs of equipment and apparatus (including operation and maintenance), clothing, supplies and other expenses incurred directly in connection with these services.

Fire Alarm System—Salaries or wages of personnel, costs of equipment (including operation and maintenance), supplies and other expenses directly applicable to the fire alarm or other system of communication.

Fire Stations and Buildings—Maintenance and repairs, supplies, salaries or wages of attendants and other expenses, including heat, light and power, water, insurance, etc. If the buildings are rented for the use of the fire department, the rental charge should also be included.

Water Cost and Hydrant Rental—In many instances the water utility imposes a charge to the municipality for water service based on the necessity of maintaining sufficient pressure in the system to provide the maximum requirements of water for fire-fighting purposes. Such a charge may be on a flat rate basis, or a fixed sum in approximate relationship to the volume of water used by the fire department in the course of attending fires, or it may be in the form of a hydrant rental at a fixed rate per hydrant. Charges of this nature properly represent part of the cost of the fire department and should be included accordingly.

Employers' Liability Insurance—Expenditures for insurance against claims or damage actions by employees of the fire department for injuries sustained in the course of their duties.

Auxiliary Services—Salaries or wages and other expenses in connection with medical services and training schools.

NOTE: Do not include municipal contributions to firemen's pension, superannuation or benefit funds, the expenditures for which should be shown under "Other General Government Expenditures" as referred to on page 60.

Police Protection—Expenditures of the police department or for policing activities, which, in addition to any not specifically referred to, would include the following:

Administration—Salaries or wages of the Police Chief or Commissioner, his immediate assistant(s) and clerks, stenographers, and other staff, as well as stationery, supplies and other general expenses incurred in connection with the supervision or administration of the department's activities.

Protective Service—Salaries or wages of police inspectors, sergeants, constables and other personnel, as well as expenditures on equipment and vehicles (including operation and maintenance), clothing, supplies, and other expenses incurred directly in connection with general policing activities; and in addition, expenditures for salaries, wages, maintenance and operation of traffic lights and conduits in connection therewith.

Crime Investigation—Salaries or wages of the detective force, squad or bureau and criminal records branch, as well as costs of equipment (including operation and maintenance), clothing, supplies, and other expenses incurred directly in connection with criminal investigation activities.

Police Signal System—Salaries or wages of personnel, costs of equipment (including operation and maintenance), supplies and other expenses directly applicable to the police signal and other communication systems, such as radio, telephone, teletype, signal lights and call boxes.

Police Stations and Buildings—Maintenance and repairs, supplies, salaries or wages of attendants and other expenses, including heat, light and power, water, insurance, etc. If the buildings are rented for the use of the police department, the rental charge should also be included.

Employers' Liability Insurance—Expenditures for insurance against claims or damage actions by employees of the police department for injuries sustained in the course of their duties.

Detention and Custody of Prisoners—Meals and other expenses pending trial or prior to conviction.

Auxiliary Services—Salaries or wages and other expenses in connection with ambulance or medical services, patrol wagons, training schools and other similar activities.

NOTE: Do not include municipal contributions to policemen's pension, superannuation or benefit funds, the expenditures for which should be shown under "Other General Government Expenditures" as referred to on page 60.

Law Enforcement—Expenditures, which in addition to those not specifically mentioned or which are of an equivalent character, would include:

Police Commission—Salaries, fees or honorariums of members of the Police Commission (or Board of Police Commissioners) and the secretary, clerks, stenographers and other staff, as well as stationery, supplies and other expenses in connection therewith.

Police and Recorders' Courts—Salaries, wages or honorariums of the police magistrate and other court officials (court clerk, court reporter, clerical and stenographic staff), general office and other court expenses, and the cost of maintenance and upkeep of any such court buildings.

Juvenile and Domestic Courts—Salaries, wages or honorariums of the presiding judge and other court officials (probation officers, clerical and stenographic staff), general office and other court expenses and the cost of maintenance and upkeep of any such court buildings.

Division Courts—Salaries, wages or honorariums of the presiding judge or the junior or deputy judge and other court officials (bailiffs, clerical and stenographic staff), general office and other court expenses and the cost of maintenance and upkeep of any such court buildings.

Prosecuting Attorney—Salaries, fees or honorariums of the Prosecuting or Crown Attorney, together with the salaries or wages of his staff and other general office expenses. If the position of prosecuting attorney is held by the city

solicitor, his departmental expenditures should be divided as between the two services.

Coroners, Witnesses, Jurors and Interpreters—Fees and other expenditures in connection with Coroners' Inquests; witness fees payable by the municipality in court actions; fees and other expenditures in respect of persons performing jury duty, as well as those for the selection of jurors; and fees and other expenditures in connection with the engagement of persons to act as interpreters in court actions.

Joint Civil Justice or Criminal Justice Courts—The local municipality's share of the cost of any such courts, as in the case of payments to counties by cities and separated towns in Ontario for administration of justice.

Gaols, Industrial Farms, Detention Homes and other *Corrective Institutions*—Maintenance and operating costs of any such institutions which are maintained and operated by the municipality.

Protective Inspection—Salaries, wages, stationery and supplies and other general expenses in connection with the various inspection services maintained by the municipality, such as *Building and Structural, Plumbing, Electrical, Gas, Boiler, Elevator, Weights and Measures* and *Weed Inspection*; but *excluding* health inspection which should be included under item 5, Conservation of Health.

Street Lighting—Maintenance and repairs to standards and fixtures as well as the cost of power, gas or other lighting medium for the illumination of streets, alleys, bridges and tunnels other than those located in parks for which the costs thereof are kept separate.

Destruction of Pests—Expenditures incurred in connection with the control and destruction of pests, such as *mosquitoes, grasshoppers, corn borer, gophers, rats, rabbits* and other rodents, *crows, weeds on streets.*

Other Protection, which would include such services as *Flood Control,* maintenance and operation of a *Public Morgue,* maintenance of *Railway Crossing Signals,* and protection to *Animals.* The latter would include salaries and other expenses of the dog catcher or humane officer, maintenance and operation of a dog pound, as well as grants or contributions to humane societies.

Public Works

3. Expenditures relating to the use of streets or thoroughfares and structures and improvements in connection therewith. *Do not include* in this item expenditures for *garbage collection, street cleaning and flushing* or for sewers, all of which *are to be included under* item 4, *Sanitation and Waste Removal.* The former would include the following:

Administration—Salaries or wages of the City Engineer, Commissioner of Works or Public Works Foreman, as the case may be his immediate assistant(s) and clerks, stenog-

raphers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the supervision or administration of the department's activities.

Streets and Roads, Bridges, Viaducts, Subways and Tunnels, including *Grade Crossing Eliminations* and *Sidewalks*—Salaries or wages of superintendents, foremen, subordinate engineers and other employees as well as labour, material and supplies, costs of equipment (including operation and maintenance) and other expenses in connection with maintaining and repairing streets and roads, etc.

Waterways—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance) and other expenses in connection with dredging, deepening, widening and straightening rivers, streams, lakes and waterways, other than those included in parks, or for flood control.

Snow and Ice Removal—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance), and other expenses in connection with snow and ice removal and for sanding streets, sidewalks and other thoroughfares.

Drainage—Salaries or wages of persons, material and supplies, cost of equipment (including operation and maintenance) and other expenses in connection with maintaining and repairing ditches and drains and wells established for the purpose of conserving moisture from surface drainage. Such drainage would be limited more or less to rural municipalities and the smaller urban communities but should not include expenditures for storm sewers which are included under item 4, Sanitation and Waste Removal.

NOTE: For the most part the foregoing represents the major activity groups of public works expenditure on the basis that all expenses incidental thereto are either charged direct or costed or apportioned according to the activities in respect of which the expenditures were incurred. While this procedure may be followed in the larger municipalities it is relatively impracticable to do so in the smaller ones. In this latter instance expenditures included above would consist principally of labour, material and supplies, whereas the expenditures which otherwise should be apportioned would be included in the following:

Workshops, Yards and Other Buildings—Salaries or wages of attendants, mechanics, storekeepers and maintenance and repairmen, building maintenance and repairs, heat, light, power and water and other expenses in connection with the operation of shops, supply depots, stockrooms, yards and other buildings for the storing of material, supplies and equipment used in connection with public works activities.

Workmen's Compensation—Expenditures for sickness compensation or for insurance against claims or damage actions by public works employees for injuries sustained in the course of their duties.

General Equipment—Expenditures for the replacement of public works equipment such as automobiles and trucks, snow plows, wagons, road scrapers or graders and other motorized or mechanical equipment. Also original purchases of small units should be included here but expenditures for the original acquisition of larger units should be included in item 13, Capital Expenditures Provided out of Revenue.

Small Tools and Equipment—Expenditures for hand or portable tools, implements and accessories which are of nominal value or short life and other small articles which are easily lost, misplaced or stolen.

Maintenance and Repairs to Equipment—Expenditures for repairs, gas, oil, grease and other maintenance costs of automobiles, trucks and other public works equipment.

Sanitation and Waste Removal

4. Expenditures relating to the collection or removal and disposal of sewage, street deposits and other waste, which would include the following:

Administration—Salaries or wages of the Commissioner, Director, Superintendent, Engineer or chief official in charge, his immediate assistant(s) and clerks, stenographers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the administration or supervision of sanitation activities. Also, this would include a proportionate share of Public Works Administration expenditures if one administrative head or department has jurisdiction over both public works and sanitation activities.

Sewer System—Salaries or wages of persons, materials and supplies, costs of equipment (including operation and maintenance) and other expenses in connection with maintaining, repairing and operating the sewer system, including both storm sewers and sanitary sewers, catch basins and manholes, inspecting sewers, cleaning and flushing sewers and the operation of booster stations. Also include expenditures for share of repairs to private drains.

Sewage Treatment and Disposal—Salaries or wages of the plant superintendent or engineer and staff, as well as labour, material and supplies and other expenses in connection with maintaining and operating plant and equipment used in connection with the treatment and disposal of sewage, including the reclamation of sludge areas.

Street Cleaning and Flushing—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance) and other expenses in connection with the removal of leaves, storm debris and other waste deposits from the streets. Also include expenditures for dust prevention, which may be accomplished by oiling or street sprinkling or by the application of calcium chloride.

Garbage and Waste Collection—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance) and other expenses incurred for collecting garbage and other waste material, such as ashes, cans, boxes,

bottles, scrap metal, and burned refuse. If this collection service, either wholly or in part, is performed privately under contract, any cost to the municipality should also be included.

Garbage and Waste Disposal—Salaries or wages of the plant superintendent or engineer and staff as well as labour, material and supplies, and other expenses in connection with maintaining and operating an incinerator or other plant and equipment for the disposal of garbage and other waste material. Also include rentals and other expenditures for maintaining nuisance grounds (or dumps) for this purpose.

Comfort Stations—Salaries or wages of persons, repairs, material and supplies, heat, light, water, and other expenses in connection with maintaining and operating comfort stations other than those included in parks or other recreational or community centres.

5. Expenditures for the conservation and improvement of public health, which would include the following: **Conservation of Health**

Administration—Salaries, wages or fees to members of the Board of Health, medical health officer, city or town physician, clerks, stenographers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the administration or supervision of health activities.

Vital Statistics—Salaries or wages of persons, stationery, supplies and other general expenses incurred in connection with the reporting and recording of data on births, marriages and deaths, and other statistics relating to health matters.

Control of Communicable Diseases—Salaries or wages of persons, stationery, supplies and other general expenses incurred directly in connection with the control of communicable diseases, other than hospitalization charges which are included under item 6, Public Welfare. These would include clinics and dispensaries such as for tuberculosis, venereal and other diseases including quarantine, disinfection, vaccination and immunization.

Child Hygiene—Salaries or wages of persons, stationery, supplies and other general expenses for child health services, other than communicable diseases, including pre-natal and pre-school clinics, home and other public health nursing services.

Regulation and Inspection—Salaries or wages of persons, stationery, supplies and other expenses in connnection with the regulation and inspection of foods, drugs, shops and other inspection services designed to eliminate unsanitary conditions.

General Clinics and Laboratories—Salaries or wages of persons, stationery, supplies and other general expenses in connection with maintaining and operating general health clinics or centres and laboratories, other than those established for a specific purpose which would be included in any of the foregoing items.

Public Welfare

6. Expenditures falling within this major classification should be carefully segregated according to principal departmental or functional activities as follows:

Unemployment Relief, which should include the *gross* expenditures in respect of the following:

Administration—Salaries or wages of the relief officer, his assistant(s), clerks, stenographers and other staff, as well as stationery, supplies and other expenses incurred directly in connection with the administration of unemployment or direct relief.

Unemployment or Occupational Aid—Financial assistance such as for food, fuel, clothing and shelter to *employable* persons, and to their dependents, who are in need as a result of unemployment or loss of gainful occupation.

Agricultural Aid—Financial assistance to persons in need as a result of agricultural distress, such as for food, fuel, clothing and shelter to farmers and their dependents.

Rehabilitative Services—Expenditures for farm settlement and other measures such as for the re-establishment of the unemployed into gainful occupations.

Transients—Expenditures for food, clothing and other assistance to transients.

All such expenditures falling within the above categories should be included whether or not they are allowable items or within prescribed limitations in accordance with regulations of the Dominion and/or Provincial Government.

NOTE: Do not include: expenditures on account of relief works programs which should be shown under item 13, Capital Expenditures Provided Out of Revenue; principal, sinking fund requirements and interest on debentures issued for relief purposes, or interest charges on relief borrowings, which should be shown under item 9, Debt Charges.

Charity and Miscellaneous Welfare, which should include the *gross* expenditures in respect of the following:

Indigent or Poor Relief—Financial assistance such as for food, fuel, clothing and shelter to *unemployable* persons and their dependents. All such expenditures should be included whether or not allowable for grant-in-aid purposes under Dominion and/or Provincial Government regulations.

Voluntary Aid—Expenditures for assistance to needy persons provided by or through the municipality out of voluntary donations or subscriptions for charitable purposes. (The voluntary donations out of which such expenditures would be made should be shown as a revenue under item 10).

Burial of Indigents—Expenditures for undertakers' fees, cemetery plots, and other expenses for the burial of indigent persons or public charges.

Moving or Transportation of Indigents, Ambulance Fees, School Books and Supplies.

Child Welfare—Expenditures for the cost of maintaining children in charitable institutions or in foster or boarding homes, as well as the *gross* cost (maintenance and operation), of municipally-operated charitable institutions, such as boys' or girls' homes, children's aid societies, orphanages, homes for incurable children and day nurseries; and in addition, grants to any such child welfare institutions.

Miscellaneous revenues arising from the operation of any of the above municipally-owned institutions should not be deducted from the expenditures but included in the revenue section and classified the same as all other municipal revenues with particular care being taken to see that grants or payments from the province or from other municipalities are shown accordingly.

Hospitalization and Medical Services—Expenditures for the cost of maintaining patients in hospitals, such as per diem costs for maintenance of indigents, and for maintenance of insane and tubercular patients; contributions to sanitoria, grants to hospitals, medical service fees and allowances; and in addition, the cost of administration of these services which would include salaries or wages of the Director or Supervising Physician, his assistant(s), clerks, stenographers and other staff, as well as stationery, supplies and other expenses.

Also include the *net cost* of municipally-operated hospitals; in other words, *do not* include the operating revenues and expenditures of such hospitals at the gross amount but show only the *net results* of operations *exclusive of principal or sinking fund instalments and interest on debentures* which are to be included under item 9, Debt Charges. If the revenues exceed the operating expenditures, the excess should be reported under item 10 of the revenues. And in Saskatchewan include the municipality's share of Union Hospital District charges.

Medical fees and allowances should also include the cost of providing such services to relief recipients. Where the cost is based on a monthly or other charge per person receiving relief assistance and the municipal share deducted by the province from the monthly relief claim, as in the case of Ontario municipalities, care should be taken to see that both the grants-in-aid from the province and the expenditures on which based are clearly segregated between relief and medical services, and properly recorded on that basis. The grant-in-aid for medical services should be shown under item 8 (82) of the revenues.

Disaster Emergencies—Expenditures for public assistance such as for food, fuel, clothing, shelter, medical supplies, etc., as a result of floods, cyclones, enemy attack in time of war and other disaster emergencies.

Old Age Pensions, Pensions to Blind Persons, Mothers' Allowances—The municipality's share of any such pensions or allowances as well as the cost of administration thereof

which would include expenses of examining boards or authorities, salaries or wages of investigators, clerks, stenographers and other staff as well as stationery, supplies and other expenses.

Charitable Institutions—The *gross* cost of municipally-operated charitable institutions, other than for child welfare, such as Houses of Refuge, Homes for Aged and Infirm or Incurables, and Boys' or Girls' Training Schools.

Miscellaneous revenues arising from the operation of any such institutions should not be deducted from the expenditures but included in the revenue section and classified the same as all other municipal revenues, with particular care being taken to see that grants or payments from the province or from other municipalities are shown accordingly.

Maintenance of Inmates in Charitable Institutions—Expenditures for the cost of maintaining inmates, other than children, in institutions of the nature referred to above, or in Boarding or Lodging Houses.

Grants and Subventions—Expenditures for grants or other assistance towards the support of private charitable institutions, organizations or societies other than for child welfare and hospitals.

Education

7. Expenditures for school purposes should be shown at an amount equal to the school tax levy, but exclusive of principal, sinking fund requirements and interest on any debentures issued by the municipality for and on behalf of the school authorities which should be included under item 9, Debt Charges. In other words, if the school debentures were issued by the municipality, which also levies and collects the school taxes, the expenditure under this item would be equal to the difference between the school tax levy (Taxation Revenue for School Purposes—item 1 (12) of the revenues) and the gross debt charges on school debentures (principal or sinking fund instalments and interest); but if the school authorities issue their own debentures whereas the municipality levies and collects the taxes, the expenditure to be shown here would be equal to the total levy. In both instances, any provincial grants, fees and other revenues of school authorities which may be paid to the municipality, whether or not based on expenditures for maintenance or for debt charges, should be credited direct to the account of the local school authority and not included in either the revenues or expenditures in this statement. (See explanations on page 56 in connection with items 8 and 9 of the revenues for further reference in this regard).

Expenditures for elementary, secondary, and technical or vocational schools should be shown separately, wherever such a division of educational activities is maintained, so as to conform with the division of the corresponding item of taxation revenue.

Amounts provided by the municipality out of general rates for tuition fees, or grants payable to school authorities, such as

township school grants in Ontario, and amounts provided for educational purposes by counties in New Brunswick, as well as amounts provided by cities, towns and county municipalities in Nova Scotia for the Municipal School Fund should also be included under this item *but shown separately* from the aforementioned expenditures.

In the case of Ontario municipalities, educational costs included in County Rates or Levies should *not* be shown here but included as part of the total county rates to be shown under item 14.

Recreation and Community Services

8. Expenditures falling within this category should be segregated as follows:

Recreation Services, which would include *Municipal Golf Courses, Swimming Pools, Beaches and Baths, Skating Rinks* and *Arenas,* and *Amusement Parks* and *Playgrounds* which should be distinguished from other parks as referred to on page 56 in connection with the revenues from such activities.

Community Services, which would include *Libraries, Museums, Art Galleries, Community Centres and Halls, Exhibitions and Fairs, Parks, Tourist Camps, Markets* and *Weigh Scales.*

Expenditures for these services should be shown at the *gross* amount (i.e., before deducting any revenues therefrom which are to be shown separately under item 7) but exclusive of principal or sinking fund instalments and interest on debentures which are to be included under item 9, Debt Charges. These would include expenditures made directly in connection with any such services, such as for salaries or wages of persons, material and supplies, books, periodicals, museum or art pieces, repairs, heat, light, water, insurance, costs of equipment (including operation and maintenance), etc., depending on the service involved. Also include expenditures by way of grants or allowances to non-charitable organizations or associations for similar purposes, as well as expenditures for public celebrations.

Debt Charges

9. Expenditures to be included under this item should be segregated as follows:

Debenture Debt Charges—Principal instalments, sinking fund requirements and interest *due* during the current fiscal year in respect of *all* debentures issued by the municipality, as well as similar amounts *due* in respect of debentures assumed from other municipalities. Detail of this item is shown in Schedule 11 (Form 33 on page 150).

Temporary Debt Charges—Bank and other interest on temporary borrowings for revenue fund purposes, including relief borrowings. Also include exchange and other bank charges.

Discount on Current Taxes—Discounts allowed for either the prepayment or prompt payment of taxes levied for the current year.

Public Utilities (Deficits Provided)

10. Deficits of utilities for either the current or previous fiscal years which were actually provided for out of revenue fund budget appropriations of the current fiscal year. Any such amounts shown here should agree with the relative amounts shown under item 6 of Exhibit(s) VII (Form 10 on page 86).

Institutional Services (Deficits Provided)

11. Deficits of institutional services (housing and cemeteries) for either the current or previous fiscal years which were actually provided for out of revenue fund budget appropriations of the current fiscal year. Any such amounts shown here should agree with the relative amounts shown under item 6 of Exhibits X(H) and X(C) (Forms 13 and 16 on pages 104 and 118 respectively).

Municipal Levy for Utilities and Institutional Services

12. Amounts provided out of taxation for or on behalf of utilities, housing or cemeteries other than for deficits; these would include levies by general or special area rates as well as direct charges, such as for local improvements—watermains. For further explanation regarding these amounts being shown as expenditures, reference should be made to the explanations relating to item 9 of the revenue on page 56 and to item 3 of the water supply system income on page 94. Although such levies usually apply only to debt charges, they may in some instances, also include a portion of the maintenance and operating expenditures.

Expenditures for such amounts in respect of utilities should be shown separately from those in respect of housing or cemeteries, which are classed as institutional services.

Capital Expenditures Provided Out of Revenue

13. Expenditures for buildings or structural work, including land, purchase of equipment, construction of improvements such as streets, sidewalks, sewers, etc., and for other assets of a fixed or permanent nature which were acquired out of revenue fund budget appropriations of the current fiscal year; but not including normal replacement costs or alterations which are usually included in yearly estimates. These would include expenditures on account of relief works programs as well as provision for reserves for the acquisition or replacement of fixed assets. Detail of this item is shown in Schedule 12 (Form 34 on page 152).

Joint or Special Expenditures (N.O.P.)

14. In many instances municipalities are required to provide in their tax levies or rates for a portion of certain charges which are shared jointly with other municipalities, or to provide for amounts which are expendable for the benefit of certain prescribed or limited areas of the local municipality. These would consist principally of the following items, summarized by provinces, for which the special levy or the respective municipality's share of the *total* charges should be shown separately in the statement.

Nova Scotia—
- Joint Expenditure Boards or Committees (share of total charges).
- Poor District Rates.
- Provincial Highway Tax.
- District or Special Area Rates or Levies (Police, Fire, Sewage and Improvement Areas, etc.) other than Poor Districts.
- Village Commissioner's Rates.

New Brunswick—
- County Rates (Cities, Towns and Villages).

Quebec—
- County Rates.
- Montreal Metropolitan Commission Charges.

Ontario—
- County Rates (including secondary and other educational charges to local municipalities).
- Police Village Rates or Levies.
- Special Area Rates or Levies (Police, Fire, Sewage and Improvement Areas, etc.).
- Suburban Roads Commission Charges.

Manitoba—
- Greater Winnipeg Sanitary District Charges.
- Municipal Commissioner Levy.
- Provincial Trunk Highways Levy.
- Village District Committee Rates or Levies.

British Columbia—
- Special Area Rates or Levies.
- Vancouver and District Joint Sewerage and Drainage Board Charges.

A full explanation of each of these items and of their treatment in the municipal report is contained in Appendix "A", pages 153 to 170.

15. The total expenditures for the current fiscal year (items 1 to 14 inclusive).

16. The portion of the revenue fund deficit from previous years which was actually provided for in current budget appropriations. Liabilities of previous years included in the current year's budget represent a *deficit* and should be shown here accordingly. The amount of this item should agree with the relative amount shown under item 2 of Exhibit IV (Form 7 on page 42). **Deficits from Previous Years** (If any)

17. The total of items 15 and 16.

18. The amount by which item 15 of the revenues exceeds item 17 above. **Surplus for Year**

19. The total of items 17 and 18.

FORM 9

PUBLIC UTILITY BALANCE SHEET

Form 9

PUBLIC UTILITY BALANCE SHEET

As at..... .....19...
(Day) (Month)

ASSETS

Current—			
1. Cash			$.....
2. Investments (Temporary)			.....
3. Accounts Receivable		$.....	
Less: Reserve for Uncollectible Accounts Receivable—14 (141)		.....	
		Net Total	.....
4. Due from Other Funds: (Specify)			
41.		$.....	
42.		.....	
43.		.....	
		Sub-Total	.....
5. Inventories			.....
6. Accrued Items: (Specify)			
61.		$.....	
62.		.....	
		Sub-Total	.....
7. Deferred and Prepaid Charges			.....
8. Other Current Assets: (Specify)			
81.		$.....	
82.		.....	
83.		.....	
		Sub-Total	.....
Total Current Assets			$.....
Capital—			
9. Utility Plant:			
91. Lands	$.....		
92. Buildings and Improvements	.....		
93. Plant and Equipment	.....		
94. Transmission and Distribution System	.....		
95. Other	.....		
	Sub-Total	$.....	
Less: Reserve for Depreciation—14 (142)		.....	
		Net Total	.....
10. Investment(s) and Special Funds:			
101. Physical Property		$.....	
102. Depreciation Funds—			
1021. Cash	$.....		
1022. Investments: (Specify)			
10221.	.....		
10222.	.....		
10223.	.....		
	Sub-Total	.....	
103. Sinking Funds—			
1031. Cash	$.....		
1032. Investments and Other Assets: (Specify)			
10321.	.....		
10322.	.....		
10323.	.....		
	Sub-Total	.....	
104. Other: (Specify)			
1041.		.....	
1042.		.....	
1043.		.....	
		Sub-Total	.....
11. Due from Other Funds: (Specify)			
111.		$.....	
112.		.....	
		Sub-Total	.....
12. Unamortized Discount			.....
13. Other Capital Assets: (Specify)			
131.		$.....	
132.		.....	
		Sub-Total	.....
14. Deficit—Exhibit VII(*)			.....
Total Assets			$.....

PUBLIC UTILITY BALANCE SHEET

As at..... .....19...
(Day) (Month)

EXBIBIT VI(*)

LIABILITIES

Current—		
1. Bank Overdraft		$.....
2. Temporary Loans		.....
3. Accounts Payable		.....
4. Debentures and Coupons Due:		
41. Principal	$.....	
42. Interest	.....	
Sub-Total		.....
5. Due to Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Accrued Items: (Specify)		
61.	$.....	
62.	.....	
Sub-Total		.....
7. Customers' Deposits		.....
8. Other Current Liabilities: (Specify)		
81.	$.....	
82.	.....	
83.	.....	
Sub-Total		.....
Total Current Liabilities		$.....
Capital—		
9. Debenture Debt:		
91. Due to Capital and Loan Fund (General Section) for Debentures—(Net Debt).	$.....	
92. Debentures Issued by Utility	.....	
Sub-Total		.....
10. Other Long-Term Indebtedness: (Specify)		
101.	$.....	
102.	.....	
Sub-Total		.....
11. Due to other Funds (Other than for Debentures):		
111.	$.....	
112.	.....	
Sub-Total		.....
12. Unamortized Premium		.....
13. Other Capital Liabilities: (Specify)		
131.	$.....	
132.	.....	
Sub-Total		.....
14. Reserves—Other than deducted from Assets: (Specify)		
143. For Debentures matured	$.....	
144. For Retirement of Sinking Fund Debentures	.....	
145.	.....	
146.	.....	
Sub-Total		.....
15. Surplus—Exhibit VII (*)		
151. Capital Surplus	$.....	
152. Earned Surplus	.....	
Sub-Total		.....
Total Liabilities		$.....

* Letter designating type of utility should be shown here, such as (W) for a Water Supply System; (E) for Electric Light and Power; (SR) for Street Railway; or (CH) for Central Heating, as indicated on the Income and Expenditure statement, Exhibit VIII (W) (Form 11 on page 89).

PUBLIC UTILITY BALANCE SHEET

This balance sheet has been drafted with a view to it being adaptable for use by all utilities regardless of the nature or type of service provided or the degree of segregation of asset and liability accounts required, as between those relating to *capital transactions or operations* and those arising out of *current operations*. The principal factor to be preserved in this latter regard is the exact relationship of the utility's accounts to those of the municipality (General Section), or to other local authorities, boards or commissions; all such intra-fund accounts should be reported as such, even though the nature thereof may be identical to that of other assets or liabilities.

Further regarding the segregation of accounts, some utilities keep capital assets and liabilities (i.e. those relating to capital transactions or operations) separate from those arising out of current operations and each set of accounts is self-balancing. Under this method the difference between *capital* assets and liabilities, as set up on the balance sheet, would be represented by *capital surplus* and the difference between *current* assets and liabilities represented by *earned surplus;* and temporary advances out of capital funds for current purposes, or *vice versa,* would be shown under the items *Due (from or to) Other Funds.* Other utilities keep their accounts (assets and liabilities) more or less on the same basis as a commercial enterprise; no clear segregation of capital and current accounts is maintained, in the sense just referred to. The adaptability of the balance sheet for reporting by these utilities would be on the basis, largely, of the degree of liquidity of the assets and liabilities.

Trust or Agency Funds held by the utility should not be shown in this balance sheet, but included along with other trust or agency funds in the hands of all local authorities of the municipal corporation in the *Trust, Reserve and Agency Fund Balance Sheet,* Exhibit II (c) (Form 5 on page 26).

ASSETS

1. The balance of cash on hand or deposit (exclusive of that held in investment and special funds which would be shown under item 10 below) including petty cash, and deposits with or advances to employees or agents of the utility for special purposes, as well as special deposits in respect of current liabilities such as for Customers' Deposits. **Cash**

2. Bonds, debentures, stock or other securities purchased or acquired for the purpose of temporarily investing cash, pending the need of the funds for the purposes for which orginally intended. **Investments**

3. Amounts due and owing by sundry persons, firms or corporations, other than governmental bodies, including rates or charges to customers for utility services. **Accounts Receivable**

4. Amounts due and owing by other funds of the utility or by other funds of the municipality, including other local boards or commissions. The name and amount owing by each **Due from Other Funds**

other fund, local authority or activity should be shown separately in the balance sheet; and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here.

Inventories

5. The inventory value of consumable goods or supplies on hand.

Accrued Items

6. Revenues earned but not yet due, such as unbilled rates to customers for utility services or accrued interest on investments. The exact nature of any such accrued items should be clearly indicated in the balance sheet.

Deferred and Prepaid Charges

7. Unusual or extraordinary expenses of the utility which are in process of amortization, as well as prepaid taxes, rent, insurance and other similar items.

Other Current Assets

8. Assets of a current or liquid nature other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing by the *Dominion* or *Provincial Government,* or by *other municipalities* should be *included here.*

Utility Plant

9. Fixed or permanent assets used in the operation of the utility, which should be reported at cost according to the detail set out in the balance sheet. Do not include here plant not used in the operation of the utility or held for resale, which should be reported under item 10 (101) below.

Investment(s) and Special Funds

10. Property investments of the utility and cash, securities and other investments held in respect of special funds. These should be classified according to the detail provided for in the balance sheet, as follows:

Physical Property

Land, buildings and other utility plant held for resale or not used in the operation of the utility.

Depreciation Funds

Assets which have been set aside in a special fund for the purpose of identification with the reserve for depreciation. Cash and Investments should be shown separately; also in respect of the latter, show separately investments in securities issued or guaranteed by (1) Dominion Government, (2) Provincial Governments (specify Province) and (3) Municipal or School Corporations.

Sinking Funds

This item applies to the utility's *own* sinking fund in respect of debenture debt reported under item 9 (92) of the liabilities. The assets in any such funds should be reported separately in accordance with the above instructions relating to Depreciation Funds. Sinking funds held by the municipality in respect of debenture debt issued for or on behalf of the utility, an account for which is usually kept by the utility in order that its books may show the status of its capital obligation to the municipality, should not be included here but deducted from the relative debenture debt to be reported under item 9 (91) of the liabilities: the utility account in this respect should be equal to the *reserve for retirement of sinking fund debentures* issued for utility purposes (actuarial requirements of the sinking

fund), as shown by the Sinking Fund Balance Sheet, Exhibit II (b) (Form 4 on page 19).

In the event, however, of the utility providing for the retirement of sinking fund debentures within a shorter term of years than anticipated by the debenture borrowing by-law of the municipality, the excess of the sinking fund deposits over normal requirements, which would not be reflected in the accounts of the municipality, would be shown under this item.

Investments and/or Special Funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. **Other**

11. Amounts due and owing by other funds of the utility or by other funds of the municipality, including other local boards or commissions. The name and amount owing by each other fund, local authority or activity should be shown separately in the balance sheet, and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here. **Due from Other Funds**

12. Discount on the sale of debentures (i.e., the excess of the par value over the amount for which they are sold) which has not been amortized or otherwise provided for. **Unamortized Discount**

13. Assets which are not of a current or liquid nature other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Unamortized property losses or other capital deferred charges should be *included here,* as well as amounts due and owing by the *Dominion* or *Provincial Government,* or by *other municipalities.* **Other Capital Assets**

14. The amount by which the liabilities, reserves and capital surplus of the utility exceed the assets. **Deficit**

LIABILITIES

1. The amount by which the utility bank accounts are overdrawn, provided however, that only the net position of all such accounts should be shown, including cash on hand, petty cash, and deposits or advances as referred to on page 79 in connection with item 1 of the assets. **Bank Overdraft**

2. Amounts owing to banks or other sources as a result of *direct* borrowings by the utility for the purpose of temporary financing pending the collection of rates or charges to customers for utility services, or other miscellaneous revenues and accounts receivable. *Do not include here borrowings from the municipality or other local authorities or loans obtained by the municipality for or on behalf of the utility;* these should be shown under item 5 below. **Temporary Loans**

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies. Include all accounts covering expenditures during the current or previous fiscal periods which had not been paid at the close of the current fiscal period. **Accounts Payable**

Debentures and Coupons due

4. The amount of debenture principal and/or interest coupons in respect of debentures issued *directly* by the utility itself, which were past due but unpaid at the close of the fiscal period. Do not include amounts owing to the municipality (revenue fund) for past due debenture and interest payments; these should be shown under item 5 below. Also do not include accrued interest on debenture or other debt, which should be shown under item 6 below.

Due to Other Funds

5. Amounts due and owing to other funds of the utility or to other funds of the municipality including other local boards or commissions. The name and amount owing to each other fund, local authority or activity should be shown separately in the balance sheet; and care should be taken to see that the assets of the other funds, etc., are in agreement with the amounts shown here.

Accrued Items

6. Amounts representing expenditures of the current fiscal period which are not due and payable in the fiscal period, such as accrued taxes and accrued interest on temporary loans or other indebtedness. Also, include here accrued interest on debentures, if such a practice is followed. The exact nature of each item should be clearly indicated in the balance sheet.

Customers' Deposits

7. Amounts deposited by customers as security for payment of their bills.

Other Current Liabilities

8. Liabilities of a current or liquid nature, other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Customers' deposits for construction, suspense items awaiting disposition and prepaid or deferred revenues should be *included here* as well as amounts due to the *Dominion* or *Provincial Government* or to *other municipalities.*

Debenture Debt

Due to Capital and Loan Fund for Debentures (Net Debt)

9. The utility's obligation in respect of debentures issued for or on its behalf by the municipality, which represents an amount due to the *Capital and Loan Fund* of the municipality. This liability should be shown at an amount equal to the *unmatured debenture debt* for utility purposes, unless sinking fund debentures were issued, when it should be shown at an amount equal to the *net debenture debt* (i.e., the outstanding debt less the sinking fund held by the municipality as explained on page 80 in connection with Sinking Funds and also on page 12 in connection with the corresponding asset of the Capital and Loan Fund).

Debentures Issued by Utility

The gross amount of unmatured principal outstanding in respect of debentures issued *directly* by the utility.

Other Long-Term Indebtedness

10. Liabilities other than for debentures, such as mortgages or purchase agreements in respect of the acquisition of utility plant.

Due to Other Funds (Other than for Debentures)

11. Amounts due and owing to other funds of the utility or to other funds of the municipality including other local boards or commissions. These would include amounts owing in respect of loans or advances under "The Municipal Improve-

ments Assistance Act, 1938", which are a liability due to Capital and Loan Fund. The name and amount owing to each fund, local authority or activity should be shown separately in the balance sheet; and care should be taken to see that the assets of the other funds, etc., are in agreement with the amounts shown here.

12. Premium on the sale of debentures (i.e., the excess of the selling price over the par value) which has not been amortized or otherwise taken into credit. **Unamortized Premium**

13. Liabilities, which are not of a current or liquid nature, other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing on open account for labour, material, supplies, etc., and contractors' progress estimates in connection with capital undertakings, should be *included here*, as well as amounts due and owing to the *Dominion* or *Provincial Government* or to *other municipalities.* **Other Capital Liabilities**

14. The balance of amounts provided as a reserve for losses due to the inability to collect or realize the full book value of accounts receivable. This reserve is shown in the balance sheet as a deduction from the asset *Accounts Receivable* (item 3). **Reserves:** For Uncollectible Accounts Receivable

The balance of amounts credited to reserve account for depreciation against Utility Plant, which is also shown in the balance sheet as a deduction from the asset (item 9). Normally, such would represent depreciation provided according to common commercial practice (i.e., based on the normal period of usefulness of the asset, less scrap value). For Depreciation (Utility Plant)

The *Reserve for Debentures Matured* or *Reserve for Retirement of Sinking Fund Debentures* are alternative accounts to the depreciation reserve and the use of same will depend on the procedure followed by the utility with respect to provision for depreciation. For instance, if the maturities of debenture principal in respect of serial debentures, or the reserve for retirement of sinking fund debentures, are considered to be the equivalent of depreciation, these accounts would not be used, as the amounts which otherwise would be credited thereto would be credited to the depreciation reserve account. But, if in addition to making provision for debt retirement, as just referred to, depreciation on a commercial basis is also provided for by the utility, either one or both of these accounts would be used, depending on the nature or type of the debentures outstanding; the first account would show the accumulated total of principal maturities in respect of serial debentures, and the second would show the equivalent thereto (reserve for retirement) in respect of sinking fund debentures. On this latter basis these reserve accounts actually represent capital surplus in addition to the amount shown under item 15 below. For Debentures Matured

For Retirement of Sinking Fund Debentures

Reserves other than those specifically referred to should be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet. Other Reserves

Surplus

15. The amount by which the assets of the utility exceed the liabilities and reserves, which should be segregated as between *Capital Surplus* and *Earned Surplus*. The former would include contributions, grants or other donations towards the acquisition of utility plant as well as transfers out of earned surplus for capital construction work, and the latter would include the balance of unappropriated surpluses arising from earnings or operations.

FORM 10

PUBLIC UTILITY

Surplus (Deficit) Account

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PUBLIC UTILITY

Surplus (Deficit) Account

For the Fiscal Year ended..... .....19... EXHIBIT VII(*)
(Day) (Month)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year..	$.....	$.....	
2. Adjustments Affecting Operations of Previous Years: (Specify)—			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
3. Balance after Above Adjustments			$.....
4. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
5. Surplus or Deficit for Year under Review—Brought Forward from Utility Income and Expenditure Account, Exhibit VIII(*).....	.....	.....	
6. Surplus or Deficit Transferred to Revenue Fund (General Section) **During Year under Review**—Carried Forward to Revenue and Expenditure Account, Exhibit V.....	.....	.....	
7. Balance of Surplus or Deficit at End of Year—Carried Forward to Utility Balance Sheet, Exhibit VI(*).....	.....	.....	$.....
8. Totals of Debit and Credit Columns.....	$.....	$.....	

* Letter designating type of utility should be shown here, such as (W) for a Water Supply System; (E) for Electric Light and Power; (SR) for Street Railway; or (CH) for Central Heating, as indicated on the Income and Expenditure statement, Exhibit VIII(W). (Form 11 on page 89).

PUBLIC UTILITY SURPLUS (DEFICIT) ACCOUNT

The purpose of this statement is to show the changes during the fiscal period in the surplus (or deficit) of the utility; thus it actually represents an analysis, in condensed form, of the general ledger account. Where *capital* and *earned* surplus are kept separate it should apply only to the latter.

1. The balance of the account at the beginning of the year, the amount of which would be shown in either the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years which should be summarized according to character and only the *net result of similar adjustments* shown in the statement.

3. Extend the balance of the account after giving effect to the adjustments shown under item 2.

4. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to revenue fund, which should be summarized according to character and only *the net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts, inventory write-offs or adjustments and other write-offs or adjustments relating to balance sheet accounts. Also, include transfers or contributions to *capital* surplus if such is kept separate.

5. The surplus or deficit from operations for the current fiscal year as shown by the Income and Expenditure Account, Exhibit VIII (Form 11 on page 89).

6. The portion of the surplus or deficit for either the current or previous years which was transferred to Revenue Fund (General Section) during the current fiscal year. The amount shown here should agree with that included under items 11 or 10 of the revenues or expenditures, respectively, in Exhibit V (Form 8 on page 45).

7. The balance of the account at the close of the year should be extended opposite this item and in addition entered in either the debit or credit column, as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 14 of the assets or item 15 of the liabilities, as the case may be, in the Utility Balance Sheet, Exhibit VI (Form 9 on page 75).

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FORM 11

WATER SUPPLY SYSTEM

Income and Expenditure Account

Form 11

WATER SUPPLY SYSTEM*

Income and Expenditure Account

For the Fiscal Year ended..... .....19....
(Day) (Month)

INCOME

1. Sale of Water:			
11. Residential			
111. Metered Sales	$.....		
112. Flat Rate Sales	.....		
	Sub-Total	$.....	
12. Commercial			
121. Metered Sales	$.....		
122. Flat Rate Sales	.....		
	Sub-Total	.....	
13. Industrial			
131. Metered Sales	$.....		
132. Flat Rate Sales	.....		
	Sub-Total	.....	
14. Public Authorities (other than own municipality)			
141. Metered Sales	$.....		
142. Flat Rate Sales	.....		
	Sub-Total	.....	
15. Own Municipality			
151. Metered Sales	$.....		
152. Flat Rate Sales	.....		
	Sub-Total	.....	
16. Other: (Specify)			
161. Irrigation Companies	.....		
162. Private Fire Protection	.....		
163. Hydrant Rentals or Public Fire Protection	.....		
164. Sales to Other Water Utilities	.....		
165.	.....		
	Sub-Total	$.....	
2. Miscellaneous Income: (Specify)			
21. Customers' Forfeited Discounts and Penalties	$.....		
22. Servicing of Customers' Installations	.....		
23.	.....		
24.	.....		
	Sub-Total	.....	
3. Provided by Municipality from Tax Levy:			
31. General or Special Area Rates	$.....		
32. Local Improvement Charges—Owners' Share	.....		
	Sub-Total	.....	
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)— Carried forward to Surplus (Deficit) Account, Exhibit VII			.....
6. Grand Total Income Section			$.....

* Separate statements of Income and Expenditure should be prepared for each utility. Forms for other types of utilities are shown in Appendix "B" (Forms 38 to 45 on pages 172 to 187).

WATER SUPPLY SYSTEM*

Income and Expenditure Account

For the Fiscal Year ended..... .....19....
(Day) (Month)

EXHIBIT VIII (W)

EXPENDITURE

1. Administration and General		$.....
2. Customers' Billing and Collecting		.....
3. Water Purchased		.....
4. Source of Supply:		
41. Maintenance	$.....	
42. Operation	.....	
Sub-Total		.....
5. Power and Pumping:		
51. Maintenance	$.....	
52. Operation	.....	
Sub-Total		.....
6. Purification:		
61. Maintenance	$.....	
62. Operation	.....	
Sub-Total		.....
7. Transmission and Distribution:		
71. Maintenance	$.....	
72. Operation	.....	
Sub-Total		.....
8. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
81.	$.....	
82.	.....	
83.	.....	
Sub-Total		.....
9. Depreciation		.....
10. Debenture Debt Charges:		
101. Interest	$.....	
102. Serial Debentures—Principal Instalments	.....	
103. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
11. Total Expenditure		$.....
12. Surplus for Year (Excess of Income over Expenditure)— Carried forward to Surplus (Deficit) Account, Exhibit VII		.....
13. Grand Total Expenditure Section		$.....

UTILITY INCOME AND EXPENDITURE ACCOUNT

Income and expenditures of utilities should be excluded from the general revenue and expenditure statement (Exhibit V on page 45), and a separate operating statement prepared for each, regardless of the method of financing operations or the method employed in the management and control of the enterprise. In other words, this procedure should be followed whether or not the operations are financed wholly or in part by the rates or charges to customers or through taxation by the municipality; and whether or not the utility is managed by a separate Board or Commission or under the direct control and management of the Municipal Council. Operations as referred to above include provision for debt retirement and interest on all debentures issued for utility purposes, as well as provision for depreciation and other fixed charges. Taxation as referred to above may be imposed in the form of a general rate applicable to the whole municipality, a special rate applicable to specific areas or sections of the municipality, or by means of frontage rates such as in the case of local improvement charges for watermains.

The explanations which follow apply particularly to a Water Supply System Income and Expenditure Account which is used as an illustrative example, but the general procedure will be the same for all other utilities for which draft statements are contained in Appendix "B" (Forms 38 to 45 on pages 172 to 187). These statements should not be confused as representing cash receipts and payments (or disbursements). Income should include the total rates or charges to customers and other miscellaneous revenues for or applicable to the fiscal year, whether or not actually received in cash; and expenditures should include the total costs of maintenance and operation, as well as other charges for or applicable to the fiscal year, whether or not actually paid for in cash.

INCOME

1. The total rates or charges to customers for water service for the fiscal year which should be classified according to the detail set out in the income and expenditure statement, and which for the most part will be found self-explanatory. It is pointed out, however, that item 14, *Public Authorities (other than own municipality)*, is to include income from water service to federal and provincial government agencies and to agencies of other municipal goverments; and item 15, *Own Municipality*, is to include only the income derived from the supply of water service to departments or branches of the local municipal organization, including schools and other utilities, etc. **Sale of Water**

The foregoing does not apply to hydrant rentals or charges to the municipality for public fire protection, or to income derived from the sale of water to other municipalities on a wholesale basis which in turn redistribute the water to local customers, both of which should be shown separately under item 16.

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Miscellaneous Income

2. Income from miscellaneous sources, such as customers' forfeited discounts and penalties, servicing of customers' installations, and other miscellaneous items, such as for changing, connecting and disconnecting, and restoring a service, and profits on the sale of materials and supplies.

Provided by Municipality from Tax Levy

3. Income from this source is complementary to and should be in agreement with the amount shown as an expenditure by the municipality under item 12 of Exhibit V on page 45. Such income arises from the fact that the municipality may provide out of general rates for all or part of the annual debt charges on debentures issued for utility purposes, or in some instances for a portion of the maintenance and operating expenses of the utility; and in some cases where the water service is provided only to customers residing within a specific or limited area of the municipality, the aforementioned amounts may be provided out of a special area rate. Irrespective of which situation applies, any such amounts included in the yearly tax levy should be included as income of the water utility. In addition the owners' share of any local improvement charges in respect of debentures issued for watermains or other water utility purposes should be included, inasmuch as the expenditures are to include the total debt charges on all debentures issued for water utility purposes.

4. The total income for the current fiscal year (items 1 to 3, inclusive).

Deficit for Year

5. The amount by which item 10 of the expenditures exceeds item 4 above.

6. The total of items 4 and 5.

EXPENDITURES

Maintenance and Operating Costs

1-8. The classification of items 1 to 7 provides for the distribution of maintenance and operating costs that is generally followed by both public and commercial utilities. It may be that some portion of the work or service involved in this regard may be performed by one or more of the municipal officials or departments along with their other duties, in which event an apportionment should be made, either on an actual or arbitrary basis, so as to charge the utility operations with a fair share of the expenditures.

Item 8 is for maintenance or operating expenses other than those included above, such as salaries and other expenses in connection with sales promotion. Also include in this item amounts paid or payable to the municipality in lieu of taxes for the current fiscal year; expenditures in this regard arise from the fact that in some provinces the property of utilities is exempt from taxation and voluntary contributions are made by the utility to the general revenues of the municipality.

Depreciation

9. Amounts provided as depreciation on utility plant and equipment and other fixed assets, *in addition to* provision for retirement of debentures issued for utility purposes, the latter of which is to be included in item 10 below.

Debenture Debt Charges

10. The gross amounts provided for interest, principal instalments and sinking fund requirements in respect of all debentures issued for utility purposes, each of which amounts should be shown separately as provided for in the statement. This would include such debt charges on debentures issued either by the utility itself direct or by the municipality on its behalf; the latter amounts should be in agreement with amounts included in item 9 of both the revenues and expenditures in Exhibit V (Form 8 on page 45.)

11. The total expenditures for the current fiscal year (items 1 to 10 inclusive).

Surplus for Year

12. The amount by which item 4 of the income exceeds item 11 above.

13. The total of items 11 and 12.

FORM 12

HOUSING BALANCE SHEET

Form 12

HOUSING BALANCE SHEET

As at..... .....19....
(Day) (Month)

ASSETS

1. Cash		$.....
2. Accounts and Rents Receivable	$.....	
LESS: Reserve for Uncollectible Accounts and Rents Receivable—7(71).	.....	
Net Total		.....
3. Contracts Receivable	$.....	
LESS: Reserve for Uncollectible Contracts Receivable—7(72)	.....	
Net Total		.....
4. Properties Repossessed	$.....	
LESS: Reserve for Loss on Properties Repossessed—7(73)	.....	
Net Total		.....
5. Due from Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Other Assets: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Deficit—Exhibit X(H)		.....
Total Assets		$.....

Form 12
(cont'd)

HOUSING BALANCE SHEET

As at..... .....19....
(Day) (Month)

EXHIBIT IX (H)

LIABILITIES

1. Bank Overdraft		$.....
2. Temporary Loans		.....
3. Accounts Payable		.....
4. Due to Capital and Loan Funds (General Section) **for Debentures.**		.....
5. Due to Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
	Sub-Total	.....
6. Other Liabilities: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
	Sub-Total	.....
7. Reserves—Other than deducted from Assets: (Specify)		
74.	$.....	
75.	.....	
	Sub-Total	.....
8. Surplus—Exhibit X(H)		.....
Total Liabilities		$.....

HOUSING BALANCE SHEET

ASSETS

Cash

1. The balance of cash on hand or deposit, including imprest or petty cash funds.

Accounts and Rents Receivable

2. Amounts due and owing by sundry persons, firms or corporations, other than governmental bodies, including unpaid rentals of properties repossessed.

Contracts Receivable

3. The balance of amounts owing under contract, mortgage, purchase agreement or other agreement of sale, by purchasers of housing properties. This item should reflect the total principal balance owing under all such contracts, including payments in arrears as well as interest thereon; but it should not include the capitalization of future interest payments due from purchasers on the basis of the original loan repayment schedule. (Although this latter account may be kept by some local authorities it should not be shown in the balance sheet.)

Properties Repossessed

4. The book value of properties repossessed from former purchasers by the local housing authority and which are available for re-sale or for occupancy on a rental basis until sold.

Due from Other Funds

5. Amounts due and owing by other funds of the municipality, including other local boards or commissions. The name and amount owing by each other fund, local authority or activity should be shown separately in the balance sheet, and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here.

Other Assets

6. Assets other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. These would *include* deferred and prepaid charges (e.g., unexpired insurance premiums), and accrued items (e.g., revenues earned but not yet due, such as accrued interest on contracts receivable), as well as amounts due and owing by the *Dominion* or *Provincial Government*, or by *other municipalities*.

Deficit

7. The amount by which the liabilities and reserves exceed the assets.

LIABILITIES

Bank Overdraft

1. The amount by which the housing bank account(s) are overdrawn; provided, however, that only the net position should be shown, including cash on hand and imprest or petty cash funds.

Temporary Loans

2. Amounts owing to banks or other sources as a result of *direct* borrowings by the housing authority for the purpose of temporary financing. *Do not include here borrowings or advances from the municipality or from other local authorities, or loans obtained by the municipality for and on behalf of the housing authority;* these should be shown under item 5 below.

Accounts Payable

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies.

Due to Capital and Loan Funds for Debentures

4. The housing authority's obligation in respect of debentures issued for or on its behalf by the municipality, which represents an amount due to the *Capital and Loan Fund.* This liability should be shown at an amount equal to the unmatured debenture debt for housing purposes, unless sinking fund debentures were issued, when it should be shown at an amount equal to the net debenture debt (i.e., the outstanding debt less the sinking fund held by the municipality as explained on page 12 in connection with the corresponding asset of the Capital and Loan Fund). Amounts owing to the municipality (revenue fund) for *past due* debenture and interest payments should be shown under item 5 below.

Due to Other Funds

5. Amounts due and owing to other funds of the municipality, including other local boards or commissions. The name and amount owing to each other fund, local authority or activity should be shown separately in the balance sheet; and care should be taken to see that the assets of the other funds etc., are in agreement with the amounts shown here.

Other Liabilities

6. Liabilities other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. These would *include* prepaid revenues (e.g., rents received or receivable in advance) and accrued items (e.g., accrued interest on loans, or accrued interest on debentures if such a practice is followed), as well as amounts due and owing to the *Dominion* or *Provincial Government,* or to *other municipalities.*

Reserves:

For Uncollectible Accounts and Rents Receivable

For Uncollectible Contracts Receivable

For Loss on Properties Repossessed

Other

7. The balance of amounts provided as reserves for losses due to the inability to collect or realize the full book value of housing assets or for other purposes relating to housing activities. For the most part these would consist of *Reserve for Uncollectible Accounts and Rents Receivable, Reserve for Uncollectible Contracts Receivable* and *Reserve for Loss on Properties Repossessed,* each of which should be kept separate and shown in the balance sheet as deductions from the relative assets to which they apply. Other reserves should also be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet.

Surplus

8. The amount by which the assets exceed the liabilities and reserves.

FORM 13

HOUSING

Surplus (Deficit) Account

Form 13

HOUSING

Surplus (Deficit) Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT X (H)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year	$.....	$.....	
2. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
3. Balance After Above Adjustments			$.....
4. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
5. Surplus or Deficit for Year Under Review—brought forward from Housing Income and Expenditure Account, Exhibit XI (H)	.....	.....	
6. Surplus or Deficit Transferred to Revenue Fund (General Section) **During Year Under Review**—carried forward to Revenue and Expenditure Account, Exhibit V	.....	.....	
7. Balance of Surplus or Deficit at End of Year—carried forward to Housing Balance Sheet, Exhibit IX (H)	.....	.....	$.....
8. Totals of Debit and Credit Columns	$.....	$.....	

HOUSING SURPLUS (DEFICIT) ACCOUNT

The purpose of this statement is to show the changes during the fiscal year in the housing surplus (or deficit); thus it actually represents an analysis, in condensed form, of the general ledger account.

1. The balance of the account at the beginning of the year, the amount of which would be shown in either the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years which should be summarized according to character and only the *net result of similar adjustments* shown in the statement.

3. Extend the balance of the account after giving effect to the adjustments shown under item 2.

4. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to revenue fund, which should be summarized according to character and only the *net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts, profits or losses on the sale of repossessed properties and other write-offs or adjustments relating to balance sheet accounts.

5. The surplus or deficit from operations for the current fiscal year as shown by the Income and Expenditure Account, Exhibit XI (H) (Form 14 on page 107).

6. The portion of the surplus or deficit for either the current or previous years which was transferred to Revenue Fund (General Section) during the current fiscal year. The amount shown here should agree with that included under items 12 or 11 of the revenues or expenditures, respectively, in Exhibit V (Form 8 on page 45).

7. The balance of the account at the close of the year should be extended opposite this item and in addition entered in either the debit or credit column, as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 7 of the assets or item 8 of the liabilities, as the case may be, in the Housing Balance Sheet, Exhibit IX (H) (Form 12 on page 97).

FORM 14

HOUSING

Income and Expenditure Account

Form 14

HOUSING

Income and Expenditure Account

For the Fiscal Year ended..... .....19....
(Day) (Month)

INCOME

1. Interest on Contracts Receivable		$.....
2. Rentals		.....
3. Miscellaneous Income: (Specify)		
31.	$.....	
32.	.....	
33.	.....	
	Sub-Total	.....
4. Provided by Municipality from Tax Levy		.....
5. Total Income		$.....
6. Deficit for Year (Excess of Expenditure over Income) carried forward to Surplus (Deficit) Account, Exhibit X (H)		.....
7. Grand Total, Income Section		$.....

Explanatory Notes:

This statement will be found self-explanatory if considered in conjunction with the general explanations on page 93, relating to utility income and expenditure accounts. It should be noted, however, that amounts due from purchasers for the repayment of principal on account of their contracts, mortgages or purchase agreements, as the case may be, should not be included as income; and that principal instalments or sinking fund requirements in respect of debentures or other capital debt should not be included as expenditures. Such transactions represent the repayment of capital in both instances and accordingly affect only the balance sheet accounts.

HOUSING

Income and Expenditure Account

For the Fiscal Year ended..... .....19....
(Day) (Month)

EXHIBIT XI (H)

EXPENDITURE

1. Administration and General		$.....
2. Maintenance of Properties Repossessed		.....
3. Taxes on Properties Repossessed		.....
4. Other—Exclusive of Interest on Debentures or Other Capital Debt: (Specify)		
41.	$.....	
42.	.....	
43.	.....	
	Sub-Total	.....
5. Interest on Debentures or Other Capital Debt		.....
6. Total Expenditure		$.....
7. Surplus for Year (Excess of Income over Expenditure) carried forward to Surplus (Deficit) Account, Exhibit X (H)		.....
8. Grand Total, Expenditure Section		$.....

Similarly, any amounts provided by the municipality out of tax levies to meet the current year's cash deficiency in respect of principal requirements on capital borrowings should not be included as income. The total of any such advances out of revenue funds should be shown as a revenue fund asset and the amount provided out of revenue fund budget appropriations shown as a reserve against such advances, unless the amounts advanced are considered unrealizable and written off when a corresponding adjustment should be made in the housing balance sheet accounts (Debit—Due to Revenue Fund, and Credit—Reserve for Uncollectible Contracts Receivable) to bring the inter-fund accounts into balance.

FORM 15

CEMETERY BALANCE SHEET

Form 15

CEMETERY BALANCE SHEET

As at..... (Day) ..... (Month) .....19....

ASSETS

1. Cash			$.....
2. Accounts Receivable		$.....	
LESS: Reserve for Uncollectible Accounts Receivable—7(71)		.....	
		Net Total	.....
3. Cemetery Plots Held for Sale			.....
4. General Fixed Assets—			
41. Land	$.....		
42. Buildings	.....		
43. Tools and Equipment	.....		
	Sub-Total	$.....	
LESS: Reserve for Depreciation—7(72)		.....	
		Net Total	.....
5. Due from Other Funds: (Specify)			
51.		$.....	
52.		.....	
53.		.....	
		Sub-Total	.....
6. Other Assets: (Specify)			
61.		$.....	
62.		.....	
63.		.....	
		Sub-Total	.....
7. Deficit—Exhibit X(C)			.....
Total Assets			$.....

CEMETERY BALANCE SHEET

As at..... .....19....
(Day) (Month)

EXHIBIT IX (C)

LIABILITIES

1. Bank Overdraft		$.....
2. Temporary Loans		.....
3. Accounts Payable		.....
4. Due to Capital and Loan Funds (General Section) **for Debentures**		.....
5. Due to Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Other Liabilities: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Reserves—Other than Deducted from Assets: (Specify)		
73.	$.....	
74.	.....	
Sub-Total		.....
8. Surplus—Exhibit X(C)		
81. Capital Surplus	$.....	
82. Earned Surplus	.....	
Sub-Total		.....
Total Liabilities		$.....

CEMETERY BALANCE SHEET

Trust Funds held by the cemetery authorities, such as Perpetual Care Funds, Memorial or Endowment Funds, should not be shown in this balance sheet but included along with other trust funds in the hands of all local authorities of the municipal corporation in the Trust, Reserve and Agency Fund Balance Sheet, Exhibit II(c) (Form 5 on page 26).

ASSETS

1. The balance of cash on hand or deposit, including imprest or petty cash funds. **Cash**

2. Amounts due and owing by sundry persons, firms or corporations other than governmental bodies, including balances owing under term agreements covering sale of plots, crypts or space in columbariums. **Accounts Receivable**

3. The book value of cemetery burial plots, crypts in mausoleums or space in columbariums which are held for sale for purpose of interment. **Cemetery Plots Held for Sale**

4. Fixed or permanent assets of the cemetery, other than cemetery plots etc., held for sale as referred to in item 3 above, which should be shown according to the detail classification in the balance sheet. Include as "land" the capitalized value of trees, shrubs, driveways and other landscaping; and include as "buildings" the capitalized value of the superstructure of mausoleums or crematoriums if such is not included in the cost of crypts or space held for sale. All such assets acquired through debenture issues, any part of which are still unmatured, should be shown at cost. Assets acquired through debenture issues which have matured or are fully repaid, and those acquired through revenue fund budget appropriations of the municipality, or through private donations or endowments, should be shown at inventory or appraised value. **General Fixed Assets**

5. Amounts due and owing by other funds of the municipality, including other local boards or commissions. The name and amount owing by each other fund, local authority or activity, should be shown separately in the balance sheet; and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here. **Due from Other Funds**

6. Assets other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing by the *Dominion* or *Provincial Government* or by *other municipalities* should be included here. **Other Assets**

7. The amount by which the liabilities, reserves and capital surplus exceed the assets. **Deficit**

LIABILITIES

1. The amount by which the cemetery bank accounts are overdrawn; provided however, that only the net position of all such accounts should be shown, including cash on hand and imprest or petty cash funds. **Bank Overdraft**

Temporary Loans

2. Amounts owing to banks or other sources as a result of *direct* borrowings by the cemetery authority for the purpose of temporary financing. *Do not include here borrowings or advances from the municipality or from other local authorities, or loans obtained by the municipality for and on behalf of the cemetery authority;* such should be reported under item 5 below.

Accounts Payable

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies.

Due to Capital and Loan Funds for Debentures

4. The cemetery authority's obligation in respect of debentures issued for or on its behalf by the municipality, which represents an amount due to the *Capital and Loan Fund.* The liability should be shown at an amount equal to the unmatured debenture debt for cemetery purposes, unless sinking fund debentures were issued, when it should be shown at an amount equal to the net debenture debt (i.e., the outstanding debt less the sinking fund held by the municipality as explained on page 12 in connection with the corresponding asset of the Capital and Loan Fund). Amounts owing to the municipality (revenue fund) for past due debenture and interest payments should be shown under item 5 below.

Due to Other Funds

5. Amounts due and owing to other funds of the municipality, including other local boards or commissions. The name and amount owing to each other fund, local authority or activity should be shown separately in the balance sheet; and care should be taken to see that the assets of the other funds, etc., are in agreement with the amounts shown here.

Other Liabilities

6. Liabilities other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing to the *Dominion* or *Provincial Government* or to *other municipalities*, should be included here.

Reserves:

7. The balance of amounts provided as reserves for losses due to the inability to collect or realize the full book value of accounts receivable; for depreciation against general fixed assets; or for other purposes relating to cemetery activities. The *Reserve for Uncollectible Accounts Receivable* and *Reserve for Depreciation* should be shown in the balance sheet as deductions from the relative assets to which they apply. Other reserves should be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet.

For Uncollectible Accounts Receivable

For Depreciation

The reserve for depreciation applies only to assets in respect of which debentures are still unmatured when it would represent an amount equal to the *proportion* of matured debenture principal applicable to such assets; or as applied to sinking fund debentures, it would correspondingly represent the *proportion* of the "reserve for retirement of sinking fund debentures" (actuarial requirements of the sinking fund) applicable to such assets. When the debentures have fully matured, the reserve should be transferred to Capital Surplus.

8. The amount by which the assets exceed the liabilities and reserves which should be segregated between *Capital Surplus* and *Earned Surplus*. The former would include contributions, grants, donations or endowments towards the acquisition of cemetery properties, as well as transfers out of earned surplus for the same purpose in addition to transfers from depreciation reserve when debentures have fully matured, as referred to under item 7 above; the latter would include the balance of unappropriated surpluses arising from earnings or operations. **Surplus**

Form 16

CEMETERY

Surplus (Deficit) Account

For the Fiscal Year ended..... .....19....
(Day) (Month)

EXHIBIT X (C)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year..	$.....	$.....	
2. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
3. Balance after Above Adjustments.....			$.....
4. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
5. Surplus or Deficit for Year under Review—brought forward from Cemetery Income and Expenditure Account, Exhibit XI(C).....	.....	.....	
6. Surplus or Deficit Transferred to Revenue Fund (General Section) **during year under review**—carried forward to Revenue and Expenditure Account, Exhibit V.....	.....	.....	
7. Balance of Surplus or Deficit at End of Year—carried forward to Cemetery Balance Sheet, Exhibit IX(C)..	.....	.....	$.....
8. Totals of Debit and Credit Columns.....	$.....	$.....	

CEMETERY SURPLUS (DEFICIT) ACCOUNT

The purpose of this statement is to show the changes during the fiscal year in the cemetery surplus (or deficit); thus it actually represents an analysis in condensed form of the general ledger account. Where capital and earned surplus are kept separate, it should apply only to the latter.

1. The balance of the account at the beginning of the year, the amount of which would be shown in either the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years, which should be summarized according to character and only the *net result of similar adjustments* shown in the statement.

3. Extend the balance of the account after giving effect to the adjustments shown under item 2.

4. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to revenue fund, which should be summarized according to character and only the *net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts and other adjustments or write-offs relating to balance sheet accounts.

5. The surplus or deficit from operations for the current fiscal year as shown by the Income and Expenditure Account, Exhibit XI (C) (Form 17 on page 121).

6. The portion of the surplus or deficit for either the current or previous years which was transferred to Revenue Fund (General Section) during the current fiscal year. The amount shown here should agree with that included under items 12 or 11 of the revenues or expenditures, respectively, in Exhibit V (Form 8 on page 45).

7. The balance of the account at the close of the year should be extended opposite this item and in addition entered in either the debit or credit column, as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 7 of the assets or 8(82) of the liabilities, as the case may be, in the Cemetery Balance Sheet, Exhibit IX (C) (Form 15 on page 111).

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FORM 17

CEMETERY

Income and Expenditure Account

Form 17

CEMETERY

Income and Expenditure Account

For the Fiscal Year ended..... .....19....
(Day) (Month)

INCOME

1. Sale of Plots		$.....
2. Care of Plots		.....
3. Burial Charges or Fees		.....
4. Miscellaneous Income: (Specify)		
41.	$.....	
42.	.....	
43.	.....	
	Sub-Total	.....
5. Provided by Municipality from Tax Levy		.....
6. Total Income		$.....
7. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit X (C)		.....
8. Grand Total, Income Section		$.....

Explanatory Notes:

Accounting procedure for transactions of larger cemetery authorities demands special consideration as compared with that for most municipal activities, particularly in respect of capital employed in the undertaking, assets acquired out of such funds and the extent to which proceeds from the sale of plots, etc., should be included as income in any one year. Officials of municipalities affected should be guided by available texts on this subject, keeping in mind, however, the inter-fund rela-

CEMETERY

Income and Expenditure Account

For the Fiscal Year ended..... ..... 19....
(Day) (Month)

EXHIBIT XI (C)

EXPENDITURE

1. Administration and General		$.....
2. Maintenance and Care of Buildings, Plots and Grounds		.....
3. Other—Exclusive of Debenture Debt Charges: (Specify)		
31.	$.....	
32.	.....	
33.	.....	
	Sub-Total	.....
4. Debenture Debt Charges:		
41. Interest	$.....	
42. Serial Debentures—Principal Instalments	.....	
43. Sinking Fund Debentures—Sinking Fund Requirements	.....	
	Sub-Total	.....
5. Total Expenditure		$.....
6. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit X (C)		.....
7. Grand Total, Expenditure Section		$.....

tionship between the cemetery authority and the municipality proper. To the extent that it may apply to the smaller cemetery authorities, particularly those which have no capital debt, this statement will be found self-explanatory if considered in conjunction with the general explanations on page 93, relating to utility income and expenditure accounts.

FORM 18

BALANCE SHEET FOR LOCAL AUTHORITIES

(Other than Utilities, Housing, Cemeteries or Schools)

Form 18

BALANCE SHEET FOR LOCAL AUTHORITIES

(Other than Utilities, Housing, Cemeteries or Schools)

CAPITAL AND LOAN FUND

As at..... (Day) ..... (Month) .....19....

ASSETS

1. General Fixed Assets:			
11. Land	$.....		
12. Buildings	.....		
13. Equipment	.....		
	Sub-Total	$.....	
Less: Reserve for Depreciation—4 (41)		.....	
		Net Total	$.....
2. Due from Other Funds: (Specify)			
21.		$.....	
22.		.....	
23.		.....	
		Sub-Total	.....
3. Other Assets: (Specify)			
31.		$.....	
32.		.....	
33.		.....	
		Sub-Total	.....
Total Assets			$.....

REVENUE FUND

As at..... (Day) ..... (Month) .....19....

ASSETS

4. Cash			$.....
5. Accounts Receivable		$.....	
Less: Reserve for Uncollectible Accounts Receivable—10 (101)		.....	
		Net Total	.....
6. Due from Other Funds: (Specify)			
61.		$.....	
62.		.....	
63.		.....	
		Sub-Total	.....
7. Other Assets: (Specify)			
71.		$.....	
72.		.....	
73.		.....	
		Sub-Total	.....
8. Deficit—Exhibit XIII			.....
Total Assets			$.....

BALANCE SHEET FOR LOCAL AUTHORITIES

(Other than Utilities, Housing, Cemeteries or Schools)

EXHIBIT XII

CAPITAL AND LOAN FUND

As at..... (Day) ..... (Month) .....19....

LIABILITIES

1. Due to Capital and Loan Fund (General Section) **for Debentures**		$.....
2. Due to Other Funds: (Specify)		
21.	$.....	
22.	.....	
23.	.....	
Sub-Total		.....
3. Other Liabilities: (Specify)		
31.	$.....	
32.	.....	
33.	.....	
Sub-Total		.....
4. Reserves—Other than for Depreciation: (Specify)		
42.	$.....	
43.	.....	
Sub-Total		.....
5. Investment in Capital Assets		.....
Total Liabilities		$.....

REVENUE FUND

As at..... (Day) ..... (Month) .....19....

LIABILITIES

6. Bank Overdraft		$.....
7. Accounts Payable		.....
8. Due to Other Funds: (Specify)		
81.	$.....	
82.	.....	
83.	.....	
Sub-Total		.....
9. Other Liabilities: (Specify)		
91.	$.....	
92.	.....	
93.	.....	
Sub-Total		.....
10. Reserves—Other than for Uncollectible Accounts Receivable: (Specify)		
102.	$.....	
103.	.....	
Sub-Total		.....
11. Surplus—Exhibit XIII		.....
Total Liabilities		$.....

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BALANCE SHEET FOR LOCAL AUTHORITIES

(Other than Utilities, Housing, Cemeteries or Schools)

The extent to which separate accounting records are maintained for special functions, boards, commissions or other local authorities will determine the need for and use of this balance sheet. For the most part the balance sheets of Capital and Loan Funds (General Section), Revenue Fund (General Section), Sinking Fund, and Trust, Reserve and Agency Funds together with those of Utilities, Housing and Cemeteries will include all assets, liabilities, reserves and surpluses of the unit of local government (with the exception of school authorities, to which special reference is made in the introductory remarks on page ix). In many instances, however, the assets and liabilities of Parks Boards, Public Libraries, Hospitals, Boards of Health, Welfare Boards or of other local activities or special functions, such as Working Capital Funds for asphalt plants, coal yards, etc., are not included in the aforementioned balance sheets; and too, in some cases, only the revenue fund assets and liabilities of these activities are segregated, while in others the segregation applies to those of the capital and loan fund as well.

Thus, in order to obtain a complete balance sheet picture, embracing all such activities of the local municipality, the assets and liabilities which are kept separate from the principal fund accounts must be reported and this balance sheet should be used to the extent necessary in this regard.

By reason of the wide variation of functions for which separate accounting records may be maintained, it is relatively impossible to provide specifically for all possible assets or liabilities; hence, reference should be made to the explanations relating to the other balance sheets for information and guidance in classifying them under their appropriate headings, so that they can be clearly and distinctly related to those of a similar nature in the course of consolidation in the Combined Balance Sheet, Exhibit I (Form 1 on page 1). It is of the greatest importance that amounts due from or to other funds, etc., are kept separate and reconciled in order to avoid duplication; and that amounts due from or to the Dominion Government, Provincial Government or other municipalities are also shown separately.

SURPLUS (DEFICIT) ACCOUNT — EXHIBIT XIII
INCOME AND EXPENDITURE ACCOUNT — EXHIBIT XIV

For Local Authorities
(Other than Utilities, Housing, Cemeteries or Schools)

Normally, separate "Surplus (Deficit) Accounts" and "Income and Expenditure Accounts" (or operating statements) should be prepared for each local authority or activity for which a balance sheet, Exhibit XII, is required. However, it may occur that while the balance sheet accounts of some local authorities are kept separate from the principal fund accounts, the operating accounts (revenues or income and expenditures) may not be kept separate but merged with the general revenues and expenditures as provided for in Exhibit V (Form 8 on page 45). In these cases it is not necessary to prepare separate operating statements, although they may be included in the report for information purposes. However, where only the *net* result of operations is carried into the revenue and expenditure account (general section), such as in the case of *parks or libraries when under separate boards, hospitals* and *working capital funds*, separate statements should be prepared in each case.

By reason of the variation in items of revenue, or income, and expenditures as between each different local authority or function for which a separate operating statement may have to be prepared and the limited extent to which such activities are found in municipal organizations it is not deemed practicable to outline a standard operating statement form, Such should conform to customary practice relating to each activity but following the general principles of inter-fund and inter-governmental relationship as provided for in the draft forms for other local activities which are specifically dealt with in this manual.

GENERAL FIXED ASSETS — Form 19

Land, Buildings, Plant and Equipment, and Municipal Improvements

As at.....(Day).....(Month).....19... — SCHEDULE 1

Functional Classification (1)	Land (2)	Buildings (3)	Plant and Equipment (4)	Other (5)	Total (6)
1. General Government:					
11. Civic Offices	$.....	$.....	$.....	$.....	$.....
2. Protection to Persons and Property:					
21. Fire Department	.....	.....	.....	.....	.....
22. Police Department	.....	.....	.....	.....	.....
23. Court Houses, Jails, etc	.....	.....	.....	.....	.....
24. Street Lighting	.....	.....	.....	.....	.....
3. Public Works:					
31. Workshops, Yards and Other Buildings	.....	.....	.....	.....	.....
32. Bridges	.....	.....	.....	.....	.....
33. Drains and Ditches	.....	.....	.....	.....	.....
34. Grade Separations	.....	.....	.....	.....	.....
35. Sidewalks	.....	.....	.....	.....	.....
36. Streets and Roads	.....	.....	.....	.....	.....
37. Subways and Tunnels	.....	.....	.....	.....	.....
38. Viaducts	.....	.....	.....	.....	.....
39. Waterways, Breakwaters, Harbour Development	.....	.....	.....	.....	.....
4. Sanitation and Waste Removal:					
41. Comfort Stations	.....	.....	.....	.....	.....
42. Garbage and Waste Collection and Disposal	.....	.....	.....	.....	.....
43. Sewers	.....	.....	.....	.....	.....
44. Sewage Treatment and Disposal	.....	.....	.....	.....	.....
45. Street Cleaning and Flushing	.....	.....	.....	.....	.....
5. Conservation of Health:					
51. Health Offices	.....	.....	.....	.....	.....
52. Clinics	.....	.....	.....	.....	.....
53. Laboratories	.....	.....	.....	.....	.....
6. Public Welfare:					
61. Welfare Offices	.....	.....	.....	.....	.....
62. Charitable Institutions	.....	.....	.....	.....	.....
63. Hospitals	.....	.....	.....	.....	.....
7. Recreation Services:					
71. Amusement Parks and Playgrounds	.....	.....	.....	.....	.....
72. Golf Courses	.....	.....	.....	.....	.....
73. Skating Rinks and Arenas	.....	.....	.....	.....	.....
74. Swimming Pools, Beaches and Baths.	.....	.....	.....	.....	.....
8. Community Services:					
81. Art Galleries	.....	.....	.....	.....	.....
82. Community Centres and Halls	.....	.....	.....	.....	.....
83. Exhibitions and Fairs	.....	.....	.....	.....	.....
84. Libraries	.....	.....	.....	.....	.....
85. Markets	.....	.....	.....	.....	.....
86. Museums	.....	.....	.....	.....	.....
87. Parks	.....	.....	.....	.....	.....
88. Tourist Camps	.....	.....	.....	.....	.....
89. Weigh Scales	.....	.....	.....	.....	.....
9. Miscellaneous, N.O.P.: (Specify)					
91.	.....	.....	.....	.....	.....
92.	.....	.....	.....	.....	.....
93.	.....	.....	.....	.....	.....
Total General Fixed Assets—Item 1, Exhibit II	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 19)

This schedule shows the detail of general fixed assets in support of the corresponding item 1 of the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 7). It is important that a record of all such assets of the municipality be maintained either in the general ledger accounts or by means of separate inventory records. This information also forms a very important and useful part of the annual financial report as it reflects the historical development of the municipality from the standpoint of providing facilities to meet the needs of the local citizenry.

The detail afforded by this schedule, which will be found self-explanatory, provides a two-way classification, namely, the functional use of the assets as well as the physical character. For the most part, these assets can be readily classified physically (i.e. as between land, buildings, equipment, etc.). Municipal improvements, such as items 32 to 39 and 43 actually indicate the physical nature of the assets, however, and thus should be shown in column (5).

Form 20

DUE FROM OTHER MUNICIPALITIES FOR DEBENTURES ASSUMED

As at..... (Day) ..... (Month) .....19....

SCHEDULE 1 (a)

Classification of Debt Assumed (1)	Name of Municipality by which Assumed (2)	Gross Unmatured Debt Assumed			Reserve for Retirement of Sinking Fund Debentures (6)	Net Unmatured Debt Assumed (7)
		Serial Debentures (3)	Sinking Fund Debentures (4)	Total (5)		
1. General, Drainage, Local Improvements, or Schools: (Specify)						
.....	.....	$	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total General, Drainage, Local Improvements, or Schools....	.....	$.....	$.....	$.....	$.....	$.....
2. Public Utilities: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total Public Utilities	.....	$.....	$.....	$.....	$.....	$.....
3. Institutional Services: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total Institutional Services.....	.....	$.....	$.....	$.....	$.....	$.....
Total Due from Other Municipalities for Debentures Assumed —Item 6, Exhibit II..	.....	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 20)

This schedule shows the detail of amounts due from other municipalities for debentures assumed, in support of the corresponding item 6 of the assets in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 7). Such assumptions occur principally as a result of the annexation of territory or the joint undertaking of capital works, when the asset acquired out of the proceeds from the original issue of debentures is owned jointly by the municipality that issued the debentures and the municipality(s) that assumed or is responsible for a portion of the debt. Each municipality concerned should carry only its share of the capital undertaking as a general fixed asset; thus the municipality that issued the debentures should show an additional asset equivalent to the unmatured portion of the debt assumed by other municipalities, unless sinking fund debentures were issued when the asset would be represented by the portion of the debt assumed *less* the portion of the reserve for retirement of sinking fund debentures applicable thereto (See explanation of column (6) below). It will thus be seen that the asset appearing in the balance sheet should be represented by an amount equal to the total of column 3 or the total of column 7, depending on whether or not sinking fund debentures are involved.

Column (1)—The purpose for which the debentures were issued according to the debenture debt classification in Schedule 2 (Form 21 on page 134).

Column (2)—Name of the municipality which assumed the debt.

Column (3)—Amounts assumed in respect of debentures issued on the serial or instalment plan.

Column (4)—Amounts assumed in respect of debentures issued on the sinking fund plan.

Column (5)—The total of amounts shown in columns 3 and 4.

Column (6)—The portion of the *Reserve for Retirement of Sinking Fund Debentures* which stands to the credit of the portion of the sinking fund debentures assumed. (If 10% of a sinking fund debenture was assumed by another municipality, 10% of the "reserve" should be shown here.)

Column (7)—The difference between the amounts entered in columns 5 and 6, or in other words the net unmatured debt assumed (after deducting sinking funds applicable thereto).

ANALYSIS OF DEBENTURE DEBT

As at..... (Day) ..... (Month) .....19....

SCHEDULE 2

Debenture Debt Classification (1)	Gross Unmatured Debt (Excl. Unsold Debentures)			Reserve for Retirement of Sinking Fund Debentures (5)	Net Unmatured Debt (Excluding Unsold Debentures) (6)	Unsold Debentures	
	Serial Debentures (2)	Sinking Fund Debentures (3)	Total (4)			Serial Debentures (7)	Sinking Fund Debentures (8)
11. General:							
111. Capitalized Deficits	$.....	$.....	$.....	$.....	$.....	$.....	$.....
112. Direct (Unemployment) Relief	.....	.....	.....	.....	.....	.....	.....
113. Hospitals	.....	.....	.....	.....	.....	.....	.....
114. Libraries	.....	.....	.....	.....	.....	.....	.....
115. Parks and Playgrounds	.....	.....	.....	.....	.....	.....	.....
116. All Other General Debt	.....	.....	.....	.....	.....	.....	.....
12. Drainage (Other than General)	.....	.....	.....	.....	.....	.....	.....
13. Local Improvements:							
131. Municipality's Share	.....	.....	.....	.....	.....	.....	.....
132. Owners' Share	.....	.....	.....	.....	.....	.....	.....
14. Schools:							
141. Elementary—							
1411. Public School	.....	.....	.....	.....	.....	.....	.....
1412. Continuation School	.....	.....	.....	.....	.....	.....	.....
1413. Separate School	.....	.....	.....	.....	.....	.....	.....
142. Secondary—High School and Collegiate	.....	.....	.....	.....	.....	.....	.....
143. Technical or Vocational	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....
15. Public Utilities:							
151. Water Supply System	$.....	$.....	$.....	$.....	$.....	$.....	$.....
152. Electric Light and Power	.....	.....	.....	.....	.....	.....	.....
153. Gas Supply System	.....	.....	.....	.....	.....	.....	.....
154. Street Railway	.....	.....	.....	.....	.....	.....	.....
155. Bus Lines	.....	.....	.....	.....	.....	.....	.....
156. Telephone System	.....	.....	.....	.....	.....	.....	.....
157. Central Heating	.....	.....	.....	.....	.....	.....	.....
158. Ferries	.....	.....	.....	.....	.....	.....	.....
159. Other: (Specify) 1591. Airport	.....	.....	.....	.....	.....	.....	.....
1592.	.....	.....	.....	.....	.....	.....	.....
1593.	.....	.....	.....	.....	.....	.....	.....
Total Public Utilities	$.....	$.....	$.....	$.....	$.....	$.....	$.....
16. Institutional Services:							
161. Housing	$.....	$.....	$.....	$.....	$.....	$.....	$.....
162. Cemeteries	.....	.....	.....	.....	.....	.....	.....
163.	.....	.....	.....	.....	.....	.....	.....
Total Institutional Services	$.....	$.....	$.....	$.....	$.....	$.....	$.....
Grand Total Debenture Debt— Item 1, Exhibit II	$.....	$.....	$.....	$.....	$.....	$.....	$.....
Sinking Fund Surplus or Deficit				.....			
Total Sinking Fund				$.....			

Explanatory Notes: (Form 21)

This statement shows, in condensed form, an analysis of the debenture debt in support of the corresponding item 1 of the liabilities in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 7).

Column (1)—The classification of the debt on the basis of which the analysis should be made.

Column (2)—*Gross* unmatured debt represented by serial debentures, exclusive of any unsold.

Column (3)—*Gross* unmatured debt represented by sinking fund debentures, exclusive of any unsold.

Column (4)—The total of amounts entered in columns (2) and (3). The amounts apprearing in this column and the total thereof should be in agreement with the corresponding amounts shown under item 1 of the liabilities in the Capital and Loan Funds Balance Sheet (Form 2 on page 7).

Column (5)—The actuarial requirements of sinking funds in respect of debentures shown in column 3, or in other words the same amounts as are shown under item 1 of the liabilities in the Sinking Fund Balance Sheet, Exhibit II (b) (Form 4 on page 19). Do not include here opposite individual or total items the surplus or deficit in the sinking fund; this should be shown below the *Grand Total* at the bottom of the statement and added only to the *Grand Total* to show the *Total Sinking Fund.*

Column (6)—The difference between the amounts entered in columns (4) and (5) or in other words the net unmatured debt, after deducting sinking funds.

Columns (7) and (8)—These are for memorandum purposes only with respect to unsold debentures. Although such are excluded from the debt figures it is important that they be reported. Serial debentures should be kept separate from sinking fund debentures and shown in the respective columns for each.

Form 22

DOMICILIATION OF DEBENTURE DEBT

As at..... (Day) ..... (Month) .....19....

SCHEDULE 2 (a)

Payable In	
1. **Canada Only**	$.....
2. **London (England) Only**	.....
3. **London (England) and Canada**	.....
4. **New York Only**	.....
5. **New York and Canada**	.....
6. **London (England), New York and Canada**	.....
7. **Other:** (Specify)	
.....	.....
.....	.....
Total Unmatured Debenture Debt as per Schedule 2	$.....

NOTE:—This statement is required only if any debentures are payable in other than Canadian Funds.

Explanatory Notes:

This schedule shows the "currency of payment" of the *unmatured* debenture debt, or in other words the portion of the debt payable in Canadian funds only as well as that payable, at the option of the holder or otherwise, in funds of other countries. Principal only should be included in this statement; the total should be in agreement with the gross unmatured debenture debt as shown by column 4 of Schedule 2 (Form 21 on page 134).

AVERAGE RATE OF INTEREST PAYABLE ON UNMATURED DEBENTURE DEBT

As at..... (Day) ..... (Month) .....19...

SCHEDULE 3

Rate of Interest % (1)	Amount of Debt Unmatured (2)	Annual Interest Extended (3)
1	$.....	$.....
1¼	.....	.....
1½	.....	.....
1¾	.....	.....
2	.....	.....
2¼	.....	.....
2½	.....	.....
2¾	.....	.....
3	.....	.....
3¼	.....	.....
3½	.....	.....
3¾	.....	.....
4	.....	.....
4¼	.....	.....
4½	.....	.....
4¾	.....	.....
5	.....	.....
5¼	.....	.....
5½	.....	.....
5¾	.....	.....
6	.....	.....
Other		
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
Total.....	$.....	$.....

Average Rate of Interest Payable on Unmatured Debenture Debt.....%

Explanatory Notes:

This schedule provides an analysis of the unmatured debenture debt according to interest coupon rates and enables a calculation to be made of the average rate of interest payable on the total debt.

Column (1)—The various rates of interest on the basis of which the analysis of the unmatured debt should be made. Interest rates not specifically mentioned should be shown under "Other".

Column (2)—The amount of debt unmatured on which interest is payable at the respective rates shown in column (1).

Column (3)—The amount of one year's interest on each amount of unmatured debt shown in column (2) at the respective rate of interest applicable thereto.

The total of column (2) should be in agreement with the gross unmatured debenture debt as shown by column 4 of Schedule 2 (Form 21 on page 134).

The Average Rate of Interest Payable on the Unmatured Debenture Debt is obtained by dividing the *total annual interest* by the *total debt unmatured.*

Form 24

ANALYSIS OF FUTURE DEBENTURE DEBT CHARGES BY YEARS

(Principal or Sinking Fund Requirements and Interest)

and

FUTURE PRINCIPAL MATURITIES OF SINKING FUND DEBENTURES

As at..... (Day) .....(Month) 19...

SCHEDULE 4

Analysis by Years (1)	Serial Debentures		Sinking Fund Debentures		Total		Principal Maturities of Sinking Fund Debentures (8)
	Principal (2)	Interest (3)	Sinking Fund Requirements (4)	Interest (5)	Principal and Sinking Fund Requirements (6)	Interest (7)	
1. General, Drainage, Local Improvements and Schools							
19....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19.... to Maturity	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....
2. Public Utilities							
19....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19.... to Maturity	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....
3. Institutional Services							
19....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19.... to Maturity	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....
4. Total							
19....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19.... to Maturity	.....	.....	.....	.....	.....	.....	.....
Grand Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 24)

The purpose of this statement is to show the future principal or sinking fund requirements and interest in respect of the unmatured debenture debt at the close of the year under review, and in addition, the principal maturities of sinking fund debentures. The amounts required for debt retirement and interest in each of the next succeeding five years following the fiscal year under review and the total for the sixth and following years to maturity of the debt, are to be shown separately.

Column (1)—The basis on which the analysis is to be made.

Item 1—The amounts required for the years in question in respect of debentures issued for general purposes, drainage, local improvements and schools.

Item 2—The amounts required for the years in question in respect of debentures issued for utility purposes.

Item 3—The amounts required for the years in question in respect of debentures issued for institutional services—housing and cemetery purposes.

Item 4—The total of amounts included in sections 1, 2, and 3 for each of the years or periods in question.

Columns (2) and (3)—The amount of *principal* and *interest*, respectively, on serial debentures falling due (or maturing) in each of the years or periods in question.

Columns (4) and (5)—The amount of *sinking fund requirements* and *interest*, respectively, on sinking fund debentures for each of the years or periods in question.

Columns (6) and (7)—The total of amounts entered in columns (2) and (4), and (3) and (5), respectively, for each of the years or periods in question.

Column (8)—The amount of principal of sinking fund debentures falling due (or maturing) in each of the years or periods in question.

It will be noted that the total of columns (2) and (8) represents the total amount of the unmatured debenture debt at the close of the year under review, and should be in agreement with the Total of column (4) of Schedule 2 (Form 21 on page 134).

Form 25

DOMICILIATION OF FUTURE DEBENTURE PAYMENTS AND INTEREST COUPONS (COMBINED)

As at..... (Day) ..... (Month) 19...

SCHEDULE 4 (a)

Amount Payable In	19.....	19.....	19.....	19.....	19.....	19..... To Maturity	Total
1. Canada Only	$.....	$.....	$.....	$.....	$.....	$.....	$.....
2. London (England) Only	.....	.....	.....	.....	.....	.....	.....
3. London (England) and Canada	.....	.....	.....	.....	.....	.....	.....
4. New York Only	.....	.....	.....	.....	.....	.....	.....
5. New York and Canada	.....	.....	.....	.....	.....	.....	.....
6. London (England), New York and Canada	.....	.....	.....	.....	.....	.....	.....
7. Other: (Specify)							
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....

NOTE.—This statement is required only if any debentures or interest coupons are payable in other than Canadian Funds.

Explanatory Notes:

This schedule shows the "currency of payment" of debenture principal and interest falling due and payable in each of the next succeeding five years following the fiscal year under review, and the total for the sixth and following years to maturity of the debt. In other words, it shows the portion of principal and interest payable in Canadian funds only as well as that payable, at the option of the holder or otherwise, in funds of other countries. Annual sinking fund requirements are *not* to be included in this statement. It will thus be seen that the total for each year or period in question should equal the combined total of amounts for corresponding years shown in columns (2), (3), (5), and (8) under item 4 of Schedule 4 (Form 24 on page 138).

Form 26

DUE TO OTHER MUNICIPALITIES FOR DEBENTURES ASSUMED

As at..... .....19...
(Day) (Month)

SCHEDULE 4 (b)

Classification of Debt Assumed (1)	Name of Municipality from which Assumed (2)	Gross Unmatured Debt Assumed			Reserve for Retirement of Sinking Fund Debentures (6)	Net Unmatured Debt Assumed (7)
		Serial Debentures (3)	Sinking Fund Debentures (4)	Total (5)		
1. General, Drainage, Local Improvements, or Schools: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total General, Drainage, Local Improvements, or Schools.....		$.....	$.....	$.....	$.....	$.....
2. Public Utilities: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total Public Utilities....		$.....	$.....	$.....	$.....	$.....
3. Institutional Services: (Specify)						
.....	.....	$.....	$.....	$.....	$	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total Institutional Services.....		$.....	$.....	$.....	$.....	$.....
Total Due to Other Municipalities for Debentures Assumed—Item 2, Exhibit II.....		$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 26)

This schedule shows the detail of amounts due to other municipalities for debentures assumed, in support of the corresponding item 2 of the liabilities in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 7). While the municipality that issued the debentures shows the total debt as a liability, such being incurred in its name, the municipality(s) that assumed or is responsible for a portion of the debt should also show its share as a liability in order to reflect a true capital indebtedness on the same basis as if its own debentures were issued in the first instance. It will thus be seen that the liability appearing in the balance sheet should be shown at an amount equal to the total of column (3), or column (5), depending on whether or not sinking fund debentures are involved. If sinking fund debentures were assumed, the sinking fund balance sheet should show an asset for the amount held by the issuing municipality to the credit of the portion of the debt assumed, with a corresponding amount as the *reserve for retirement of sinking fund debentures* under the liabilities, which should be in agreement with the amounts shown in column (6) of this statement. (The asset and relative reserve accounts, if any, in respect of any such assumed liability should be set up and treated in the capital and loan fund balance sheet on the same basis as if debentures were actually issued).

Column (1)—The purpose for which the debentures were issued according to the debenture debt classification in Schedule 2 (Form 21 on page 134).

Column (2)—Name of the municipality from which the debt was assumed.

Column (3)—Amounts assumed in respect of debentures issued on the serial or instalment plan.

Column (4)—Amounts assumed in respect of debentures issued on the sinking fund plan.

Column (5)—The total of amounts shown in columns (3) and (4).

Column (6)—The portion of the *Reserve for Retirement of Sinking Fund Debentures* which stands to the credit of the portion of the sinking fund debentures assumed. (If 10% of a sinking fund debenture was assumed from another municipality, 10% of the "reserve" should be shown here).

Column (7)—The difference between the amounts entered in columns 5 and 6, or in other words the net unmatured debt assumed (after deducting the sinking fund reserve applicable thereto).

AVERAGE RATE OF INTEREST PAYABLE ON UNMATURED DEBENTURES ASSUMED FROM OTHER MUNICIPALITIES

SCHEDULE 4(c)

ANALYSIS OF FUTURE DEBT CHARGES BY YEARS (Principal or Sinking Fund Requirements and Interest) and FUTURE PRINCIPAL MATURITIES OF SINKING FUND DEBENTURES ON DEBENTURES ASSUMED FROM OTHER MUNICIPALITIES

SCHEDULE 4(d)

These two schedules should also be prepared and included in the report wherever applicable. The form and content of each should be the same as Schedule 3 (Form 23 on page 137), and Schedule 4 (Form 24 on page 138), respectively.

In the case of Schedule 4(*c*) the interest rates used should be the coupon rates on the debentures as issued by the *other* municipality; and in the case of Schedule 4(*d*) the amounts of principal, interest, and sinking fund requirements should be shown at the relative proportion of the total annual requirements on account of the debentures issued by the *other* municipality. (If 10% of a debenture was assumed from another municipality, 10% of the total annual principal, interest, or sinking fund requirements should be shown in this statement.)

FORM 27

SUMMARY OF TAX (OR RATE) ROLL FOR THE YEAR 19...

SCHEDULE 5

Analysis of Levy (1)	Net Requirements Exclusive of Provision for Debenture Debt Charges (2)	Net Requirements for Debenture Debt Charges (3)	Total Levy (4)
1. Taxes Levied for—			
11. Municipal Purposes:			
111. General Expenditures	$.....	$.....	$.....
112. Unemployment Relief	.....	.....	.....
12. School Purposes:			
121. Public School	.....	.....	.....
122. Continuation School	.....	.....	.....
123. Separate School	.....	.....	.....
124. Secondary-High School and Collegiate	.....	.....	.....
125. Technical or Vocational School	.....	.....	.....
13. Direct Charges for Debentures:			
131. Local Improvements (Owners' Share only)	.....	.....	.....
132. Tile Drainage	.....	.....	.....
133. Other: (Specify)			
1331.	.....	.....	.....
1332.	.....	.....	.....
1333.	.....	.....	.....
2. Total Taxation Revenue	$.....	$.....	$.....
3. Charges or Taxes Placed on Tax (or Rate) Roll for Collection—			
31. Commuted Statute Labour	$.....	$.....	$.....
32. Dog Tax	.....	.....	.....
33. Municipal Telephone	.....	.....	.....
34. Utility Rates Arrears	.....	.....	.....
35. Weed Cutting	.....	.....	.....
36. Other: (Specify)			
361.	.....	.....	.....
362.	.....	.....	.....
363.	.....	.....	.....
4. Total Charges on Tax (or Rate) Roll for Collection	$.....	$.....	$.....
5. Total Taxes Receivable—in respect of Current Year's Levies or Charges			$.....
6. Prior Years' Assets Added to Current Roll—			
61. Arrears of Taxes			.....
62. Seed Grain Loans			.....
63. Other: (Specify)			
631.			.....
7. Total Face Amount of Tax (or Rate) Roll			$.....

Explanatory Notes: (Form 27)

This schedule shows the detail, in condensed form, of the total taxes levied for the year under review as well as other amounts placed on the yearly tax (or rate) roll for collection. Column (1) shows the purpose for which the taxes were levied on the basis of which the analysis should be made. Column (2) represents the net budgeted requirements (exclusive of debt charges) for the year under review (i.e., after deducting grants and other revenues from miscellaneous sources). Column (3) represents the net budgeted requirements for debenture debt charges after deducting recoverables, and applies only to debentures issued by the municipality (it does not apply to debentures issued by local school authorities direct for which the municipality levies and collects the taxes). Column (4) represents the total of columns (2) and (3) or the total taxes levied for the year under review.

Item 1 (11)—The total taxes levied for municipal purposes. While the statutes may require that certain amounts must be provided by a special rate in addition to the general municipal rate, such as for County Rates in Ontario, Municipal Commissioners' Levy in Manitoba, or Union Hospital District Levy in Saskatchewan, these levies are to all intents for general municipal purposes and should be shown accordingly in this statement. See also instructions in this regard in Appendix "A" wherever applicable.

Item 1 (12)—The total taxes levied for School Purposes. The amount shown in columns (2) and (3) should correspond with the amount shown as expenditures under items 7 and 9, respectively, in Exhibit V (Form 8 on page 45). See explanation in this regard on pages 70 and 71.

Item 1 (13)—Direct charges on the yearly tax (or rate) roll for debentures such as Local Improvement Frontage Rates—Owners' Share, and charges for Tile Drainage debentures in Ontario.

Item 2 —The total of items 1 (11 to 13 inclusive) which represents the total credit to Taxation Revenue for the year under review.

Item 3 —Charges or taxes placed on the yearly tax (or rate) roll for collection. In addition to those specifically mentioned in the statement, the following should also be included:

Nova Scotia —Curb and Gutter, Sewer and Sidewalk Rates (if included in yearly tax (or rate) roll).

Quebec —Municipal Mutual Insurance Company Levies.

Manitoba —Greater Winnipeg Sanitary District Levy (if included in yearly tax (or rate) roll).

Saskatchewan —Hail Insurance Tax Levy; Public Revenue Tax Levy; Wild Lands Tax Levy. (Telephone Tax Levy would be shown in item 3 (33).)

Alberta —Social Service Tax Levy; Educational Tax Levy; Wild Lands Tax Levy; Hail Tax Levy; Hospital Tax Levy.

Item 4 —The total of item 3 (31 to 36 inclusive).

Item 5 —The total of items 2 and 4 which represents the total of taxes receivable for the year under review, and should correspond with the amount shown for item 2 in Schedule 6 (Form 28 on page 144).

Item 6 —Prior years' assets added to the current tax (or rate) roll, such as Arrears of Taxes or Seed Grain Loans. Amounts of this nature on the roll do not form part of either taxation revenue or taxes receivable. Hence, collections on that account should be kept separate from the current year's tax collections reported under item 6 in Schedule 6 (Form 28 on page 144).

Item 7 —The total of items 5 and 6 which represents the grand total of all amounts included in the yearly tax (or rate) roll.

Form 28

TAXES RECEIVABLE

As at..... .....19...
(Day) (Month)

SCHEDULE 6

Detail (1)	Total (2)	Current Year's Levy 19.... (3)	Prior Years' Arrears 19.... (4)	19.... (5)	19.. & Prior (6)
1. Balance January 1, 19.... (including penalties and interest)	$.....	$.....	$.....	$.....	$.....
2. Current Year's Levy	.....	.....	.....	.....	.....
3. Penalties or Interest Added	.....	.....	.....	.....	.....
4. Other: (Specify)	.....	.....	.....	.....	.....
5. Total Debits	$.....	$.....	$.....	$.....	$.....
6. Tax Collections—					
61. Cash (Taxes only)	$.....	$.....	$.....	$.....	$.....
62. Discounts Allowed	.....	.....	.....	.....	.....
63. Penalties or Interest	.....	.....	.....	.....	.....
7. Total Collections	$.....	$.....	$.....	$.....	$.....
8. Transferred to Tax Sale Account	.....	.....	.....	.....	.....
9. Transferred to Tax Arrears Agreements	.....	.....	.....	.....	.....
10. Adjustments re: Cancellations or Reductions, etc.	.....	.....	.....	.....	.....
11. Other: (Specify)	.....	.....	.....	.....	.....
12. Total Credits	$.....	$.....	$.....	$.....	$.....
13. Balance December 31, 19....—					
Item 8, Exhibit III	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 28)

This schedule shows details of transactions relating to *current* and *arrears of taxes* during the year under review and supports the corresponding items 8 (81) and (82) in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). Column (1) shows the detail on the basis of which the analysis should be made, the various items in which are explained below. Column (2) is for the totals of transactions relating to both current and arrears of taxes combined which are obtained by adding together the amounts entered opposite each item of the detail in columns (3), (4), (5), and (6). Column (3) is for the detail of transactions relating to the current year's levy and columns (4), (5), and (6) are for details relating to prior years' arrears, respectively.

Item 1 —Tax arrears outstanding, including penalties and interest, at the beginning of the year.

Item 2 —Taxes levied for the year under review. This should agree with the Total Taxes Receivable as shown in Schedule 5 (Form 27 on page 142).

Item 3 —Amount added, charged or accrued during the year under review, (whether or not collected), in respect of penalties that may be added by by-law of the municipality, or in respect of interest or penalties that are specifically required to be added by statute.

Item 4 —Use only if necessary as in case of arrears on properties previously transferred to tax sale account which were not sold or purchased by the municipality either at the original or adjourned sale, which would necessitate the transfer of such arrears back to the taxes receivable ledgers.

Item 5 —Total of items 1, 2, 3 and 4.

Item 6 (61)—Actual cash collected during the year under review on account of both current and arrears of taxes, but excluding penalties or interest thereon collected, which should be shown under item 6 (63) below.

Item 6 (62)—Discounts allowed during the year under review for either the prepayment or prompt payment of *current taxes*. If any discounts are allowed on account of prior years' arrears such should be shown under item 11 below.

Item 6 (63)—Actual cash collected during the year on account of penalties or interest in respect of both current and arrears of taxes.

Item 7 —Total of items 6 (61), (62) and (63).

Item 8 —Taxes, including penalties or interest, which were transferred to tax sale account, in respect of properties included in the tax sale for the current year. See complementary item 1 in section (b) of Schedule 9 (Form 31 on page 148).

Item 9 —Taxes, including penalties or interest, which were transferred during the year under review to tax arrears agreements, or what are known and referred to in some provinces as "tax consolidation" accounts. See complementary item 2 of Schedule 7 (Form 29 on page 146).

Item 10 —Reductions or cancellations during the year under review in respect of both current and arrears of taxes.

Item 11 —Other credits to taxes receivable accounts, such as discounts allowed on account of prior years' arrears, as referred to above.

Item 12 —Total of items 7, 8, 9, 10, and 11.

Item 13 —The difference between the total debits and the total credits as shown for items 5 and 12 respectively, which represents the amount of taxes outstanding, including penalties and interest thereon, at the close of the year. The amount shown for this item in column (2) should be in agreement with the total of items 8 (81) and (82) of the assets in the Revenue Fund Balance Sheet (Form 6 on page 31).

Form 29

TAX ARREARS AGREEMENTS

As at..... (Day) ..... (Month) 19...

SCHEDULE 7

1. Balance January 1, 19..	$.....	
2. Transferred from Taxes Receivable	.....	
3. Penalties or Interest Added	.....	
4. Other: (Specify)		
.....	.....	
.....	.....	
5. Total Debits		$.....
6. Collections	$.....	
7. Adjustments re: Cancellations or Reductions, etc	.....	
8. Other: (Specify)		
.....	.....	
.....	.....	
9. Total Credits		.....
10. Balance December 31, 19.., Item 8, Exhibit III		$.....

Form 30

PROPERTY ACQUIRED FOR TAXES

As at..... (Day) ..... (Month) 19...

SCHEDULE 8

(a) Subject to Redemption		(b) Deeded to Municipality	
1. Balance January 1, 19	$.....	**1. Balance January 1, 19**	$.....
2. Purchased at Tax Sale During Year	.....	**2. Deeded During Year**	.....
		3. Other: (Specify)	
3. Total Debits	$.....	.....	.....
		4. Total Debits	$.....
4. Redemptions	$.....		
5. Returned to Taxes Receivable or Agreements	.....	**5. Sales of Property**	.....
		6. Other: (Specify)	
6. Deeded to Municipality	.....	.....	.....
7. Total Credits	$.....	**7. Total Credits**	$.....
8. Balance December 31, 19....— Item 9, Exhibit III	$.....	**8. Balance December 31, 19....—** Item 9, Exhibit III	$.....

Total of Items *(a)* 8 and *(b)* 8..... $.....

Explanatory Notes: (Form 29)

This schedule shows details of transactions relating to amounts outstanding under agreements that have been entered into for the consolidation of tax arrears, in support of the corresponding item 8(83) in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). The transactions reflecting changes in this account during the year are, for the most part, the same as those reflecting changes in taxes receivable accounts. Hence the instructions on page 145 relating to the latter should be referred to in conjunction with the preparation of this schedule. In some instances it is not possible to separate principal and interest payments under such consolidation agreements; thus item 6 above would include the total "cash" collections. Any discounts allowed, however, should be shown under item 8. *Do not include in this statement any transactions relating to amounts outstanding under agreements arising from the sale of municipally-owned property, as shown under item 3(32) of the Revenue Fund Balance Sheet.*

Explanatory Notes: (Form 30)

This schedule shows details of transactions relating to properties acquired by the municipality at tax sales (or tax certificate registration) or other similar procedure in any province for the same purpose, in support of item 9 in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). The two sections of the schedule refer *(a)* to those properties which are still subject to redemption by the former owners or other interested parties and *(b)* to those properties for which the period of redemption has expired and title is vested in the name of the municipality. All properties in the latter category should be included in this section of the schedule, even though the tax title deeds have not actually been executed or registered by the municipality.

(a) Subject to Redemption

Item 1—Taxes and other charges against properties purchased by the municipality at tax sale(s) held during the previous year, in respect of which the period of redemption extends into the current year.

Item 2—Taxes and other charges against properties purchased by the municipality at tax sale(s) held during the current year. See complementary items 4 and 7 in sections *(a)* and *(b)* respectively of Schedule 9 (Form 31 on page 148).

Item 3—Total of items 1 and 2.

Item 4—Redemptions during the current year, in respect of properties included in items 1 or 2 above.

Item 5—Taxes and other charges returned to taxes receivable or agreements, as the case may be, in respect of properties for which redemption from tax sale is arranged by instalments, wherever such is permissible.

Item 6—Amount against properties included in items 1 or 2 above, for which the period of redemption expired during the current year. These properties are to be transferred to section *(b)* of this statement (item 2) even though, as previously noted, the deeds have not actually been executed or registered.

Item 7—Total of items 4, 5 and 6.

Item 8—The difference between the total debits and the total credits as shown by items 3 and 7, respectively, which represents the balance of amounts against properties purchased at tax sale(s) during the current year, in respect of which the period of redemption extends to a date in the next succeeding year.

(b) Deeded to Municipality

Item 1—Book value at the beginning of the year of properties acquired by the municipality at tax sale(s) held in previous years, in respect of which the period of redemption has expired.

Item 2—Amount transferred from section *(a)* of this statement. See item 6 of section *(a)* and notes above in this respect.

Item 3—Use only if necessary, such as in case of total proceeds from the sale of properties amounting to more than the purchase price (taxes plus costs at tax sale) or other book value of the properties sold, in which event the amount of the excess represents a profit to be transferred to surplus or reserve account, or otherwise disposed of. The total proceeds from sales would, in the first instance, be shown under item 5 below; thus to balance or close out the property ledger account, a transfer of the profit realized must be made as referred to above.

Item 4—Total of items 1, 2, and 3.

Item 5—Selling price of all properties sold by the municipality during the current year, whether at a profit or loss in relation to the purchase price or other book value.

Item 6—Complementary to item 3 above, except that it should include net total losses arising from the sale of properties; and in addition other net adjustments such as for revaluation of properties.

Item 7—Total of items 5 and 6.

Item 8—The difference between the total debits and the total credits as shown by items 4 and 7, respectively, which represents the book value at the close of the year of such properties still held by the municipality.

Items *(a)* 8 and *(b)* 8 should be in agreement with items 9(91) and (92), respectively, of the assets in the Revenue Fund Balance Sheet (Form 6 on page 31).

TAX SALE ACCOUNT

As at..... .....19...
(Day) (Month)

SCHEDULE 9

(a) Adjourned Sale of Previous Year (if any)		(b) Tax Sale of Current Year	
1. Balance January 1, 19.....	$.....	**1. Transferred from Taxes Receivable**.....	$.....
2. Sales to Public.....	$.....	**2. Costs or Fees Added**.....	.....
3. Taxes not realized on Sales to Public.....	.....	**3. Other:** (Specify)	.....
4. Purchased by Municipality..	.....	**4. Total Debits**.....	$.....
5. Total Credits.....	$.....	**5. Sales to Public**.....	$.....
6. Balance Returned to Taxes Receivable.....	$.....	**6. Taxes Not Realized on Sales to Public**.....	.....
or		**7. Purchased by Municipality**.....	
7. Balance December 31, 19.... (if adjourned to following year).....	$.....	**8. Total Credits**.....	$.....
		9. Balance Returned to Taxes Receivable.....	$.....
		or	
		10. Balance December 31, 19.... (if adjourned to following year).....	$.....

Explanatory Notes:

This schedule shows details of transactions relating to tax sale(s) held during the current year, and would be in support of the corresponding asset, if any, carried forward which would be included under item 12 of the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

Part (*a*) of the schedule applies to the tax sale of the previous year only if adjourned to the current year and shows the disposition of the properties included in the adjourned sale. For the most part it will be found self-explanatory. It should be noted, however, that when properties are sold for less than the total of taxes, costs, etc., the amount *not* realized should be written off as a direct loss arising from the tax sale and the credit to tax sale account shown here under item 3. Also, it should further be noted that if a tax sale cannot be adjourned a second time and if any properties are not sold at the first adjourned sale or purchased by the municipality thereat, the taxes in respect of such properties should be returned to taxes receivable account, under which circumstances item 6 of this statement would be used. See complementary item 4 of Schedule 6 (Form 28 on page 144). If, however, it is permissible, and a tax sale is readjourned, the balance should be carried forward to the next year and shown accordingly under item 7 of this statement.

Part (*b*) applies only to the tax sale of the current year and will be found self-explanatory in its entirety if considered along with the explanations given above and with those on pages 145 and 147 relating to Schedules 6 and 8, respectively. If the sale is adjourned to a date within the current year, sufficient detail is provided to show the results of both the original and adjourned sales. Hence, all transactions relating to the one or both sales, as the case may be, should be summarized according to the detail shown.

ANALYSIS OF DEBENTURE DEBT CHARGES RECOVERABLE

For the Fiscal Year ended..... (Day) ..... (Month) 19... **SCHEDULE 10**

Recoverable from (1)	Debt Classification (2)	Interest (3)	Serial Debentures—Principal Instalments (4)	Sinking Fund Debentures—Sinking Fund Requirements (5)	Total Debenture Debt Charges Recoverable (6)
1. Other Municipalities: (Specify)					
.....	.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
2. Private Persons, Firms or Corporations: (Specify)					
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
3. Sub-Total.....		$.....	$.....	$.....	$.....
4. Public Utilities— Total as per Schedule 11.....		.....	.....	.....	.....
5. Institutional Services— Total as per Schedule 11.....		.....	.....	.....	.....
6. Total Debt Charges Recoverable—Item 9, Exhibit V.....		$.....	$.....	$.....	$.....

Explanatory Notes:

This schedule shows the detail in support of item 9 of the Revenues, Exhibit V (Form 8 on page 45), and will be found self-explanatory, for the most part, if considered in conjunction with the explanations on page 56 relating thereto. The total debenture debt charges are to be shown in Schedule 11 (Form 33 on page 150) and this statement is provided to show the portion thereof recoverable from other municipalities, persons, firms or private corporations as well as the total recoverable from utilities and institutional services (housing and cemeteries).

Column (1)—The source from which the debt charges are recoverable.

Column (2)—The purpose for which the debentures were issued according to the debenture debt classification (see Schedule 11 on page 150) which applies only to items 1 and 2 as the debt charges on debentures issued for utility and institutional (housing and cemetery) purposes, items 4 and 5 respectively, are to be shown in Total only.

Column (3)—The amount recoverable in respect of the total debenture interest falling due in the year under review.

Column (4)—The amount recoverable in respect of the total principal instalments on serial debentures falling due (or maturing) in the year under review.

Column (5)—The amount recoverable in respect of the total sinking fund requirements for the year under review.

Column (6)—The total amount recoverable in respect of the total debenture debt charges for the year under review, (the total of amounts shown in columns (3), (4), and (5)).

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ANALYSIS OF DEBENTURE DEBT CHARGES

For the Fiscal Year ended..... .....19...
(Day) (Month)

SCHEDULE 11

Debenture Debt Classification (1)	Interest (2)	Serial Debentures Principal Instalments (3)	Sinking Fund Debentures—Sinking Fund Requirements (4)	Total Debenture Debt Charges (5)
1. Debentures Issued:				
11. General—				
111. Capitalized Deficits	$.....	$.....	$.....	$.....
112. Direct (Unemployment) Relief.	.....	.....	.....	.....
113. Hospitals	.....	.....	.....	.....
114. Libraries	.....	.....	.....	.....
115. Parks and Playgrounds	.....	.....	.....	.....
116. All Other General Debt	.....	.....	.....	.....
12. Drainage (Other than General)	.....	.....	.....	.....
13. Local Improvements—				
131. Municipality's Share	.....	.....	.....	.....
132. Owners' Share	.....	.....	.....	.....
14. Schools—				
141. Elementary—				
1411. Public School	.....	.....	.....	.....
1412. Continuation School	.....	.....	.....	.....
1413. Separate School	.....	.....	.....	.....
142. Secondary—High School and Collegiate	.....	.....	.....	.....
143. Technical or Vocational	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....
15. Public Utilities—				
151. Water Supply System	$.....	$.....	$.....	$.....
152. Electric Light and Power	.....	.....	.....	.....
153. Gas Supply System	.....	.....	.....	.....
154. Street Railway	.....	.....	.....	.....
155. Bus Lines	.....	.....	.....	.....
156. Telephone System	.....	.....	.....	.....
157. Central Heating	.....	.....	.....	.....
158. Ferries	.....	.....	.....	.....
159. Other: (Specify)				
1591. Airport	.....	.....	.....	.....
1592.	.....	.....	.....	.....
1593.	.....	.....	.....	.....
Total Public Utilities	$.....	$.....	$.....	$.....
16. Institutional Services—				
161. Housing	$.....	$.....	$.....	$.....
162. Cemeteries	.....	.....	.....	.....
163.	.....	.....	.....	.....
Total Institutional Services	$.....	$.....	$.....	$.....
Total Debt Charges on Debentures Issued	$.....	$.....	$.....	$.....
2. Debentures Assumed from Other Municipalities:—(Specify name of municipality and purpose for which issued according to above classification)—				
.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
Total Debt Charges on Debentures Assumed	$.....	$.....	$.....	$.....
3. Total Debenture Debt Charges, Item 9(91), Exhibit V	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 33)

This schedule shows the detail in support of item 9(91) of the Expenditures, Exhibit V (Form 8 on page 45) and will be found self-explanatory, for the most part, if considered in conjunction with the explanations on page 71 relating thereto.

Column (1)—The debenture debt classification on the basis of which the debt charges should be analysed.

Item 1—Applies only to debentures issued by the reporting municipality.

Item 2—Applies to debt charges on debentures assumed from other municipalities for which, as noted in the statement, the name of the municipality should be shown as well as the purpose for which the debentures were issued according to the detail classification of the debenture debt shown under item 1. All such debt charges should be included here on the same basis as if the debentures were actually issued by the reporting municipality in the first instance.

Column (2)—The total amount of debenture interest falling due in the year under review.

Column (3)—The total amount of principal on serial debentures falling due (or maturing) in the year under review.

Column (4)—The total amount of sinking fund requirements for the year under review.

Column (5)—The total of amounts shown in columns (2), (3), and (4).

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Form 34

CAPITAL EXPENDITURE PROVIDED OUT OF REVENUE

For the Fiscal Year ended..... .....19...
(Day) (Month)

SCHEDULE 12

Functional Classification (See Schedule 1, Form 19 on page 89) (1)	Nature of Work or Asset Acquired (2)	Amount of Expenditure (3)
.....	.....	$.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
Total Capital Expenditures Provided Out of Revenue, Item 13, Exhibit V.....		$.....

Explanatory Notes:

This schedule shows the detail in support of item 13 of the Expenditures, Exhibit V (Form 8 on page 45), and will be found self-explanatory, for the most part, if considered in conjunction with the explanations on page 72 relating thereto.

Column (1)—The functional or departmental classification of the expenditures, which should conform with that shown in column (1) of Schedule 1 (Form 19 on page 130) relating to General Fixed Assets.

Column (2)—The nature of the work or asset acquired, such as land, buildings, plant and equipment, or in the case of improvements such as streets, sewers, or sidewalks. See Schedule 1 in this regard also.

Column (3)—The amount of expenditures out of revenue fund budget appropriations for the year under review in respect of each asset, work or project as shown in column (2).

APPENDIX "A"

PROCEDURE FOR REPORTING JOINT OR SPECIAL EXPENDITURES AND OTHER SPECIAL MUNICIPAL ACTIVITIES

The general explanations in the body of the text relating to Assets and Liabilities, Revenues and Expenditures and their supporting schedules, are designed to cover normal local activities more or less common to municipal organizations throughout Canada. The following instructions supplement the foregoing material by outlining the procedure to be followed where special activities are involved, or where peculiarities exist in municipal organization.

Nova Scotia

Curb and Gutter, Sidewalk and Sewer Rates

1. Frontage taxes, or rates or sums in lieu of frontage taxes, covering either construction or installation, or operation and maintenance of these services should be reported as follows:

Unpaid Rates (Asset)—Any rates unpaid at the close of the fiscal year should be set up as an asset and reported under item 3, *Accounts Receivable* in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

Deferred Revenue (Liability)—When the total amount of any such rates which may be paid in instalments over a period of years (such as for construction or installation) is set up as an asset, the offsetting credit should be made to a "Deferred Revenue" account and shown under item 10, *Other Liabilities* in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

Revenue—The amount of such rates due and payable in the current fiscal year, whether for construction or installation, or operation and maintenance, should be included in item 6, *Service Charges*, in the Revenue and Expenditure Account, Exhibit V (Form 8 on page 45).

The foregoing instructions are based on the assumption that the annual frontage taxes or rates, or sums in lieu of frontage taxes, are not entered in the yearly tax (or rate) roll against the respective properties liable for payment thereof, but that such rates are billed and collected independently of the ordinary municipal taxes. If, however, the practice is followed of including the amounts due each year in the yearly tax (or rate) roll, the asset representing unpaid rates would automatically be reflected in item 8, *Taxes Receivable;* and there would be no deferred revenue account, as the total of amounts entered in the roll would be credited direct to the revenue account, item 6, *Service Charges.*

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), any such amounts appearing in the roll should be shown under item 3(36).

Joint Expenditure Boards or Committees (Share of Total Charges)

2. Expenditures incurred by any municipality for the benefit of the county, or for the joint benefit of such municipality and any other municipality, including towns and cities, should be kept separate from all other expenditures, as should also any revenue from miscellaneous sources which accrues to the joint benefit of such municipalities in the same manner as do the expenditures. Each municipality, including towns and cities, should show *only its share* of the net total joint expenditures, as apportioned by the local board or committee, under item 14 of the expenditures in Exhibit V (Form 8 on page 45), as referred to on page 72 of the instructions. (It is to be noted in this connection that such joint expenditures should *exclude* the city, town, or county municipality's share of the amount fixed as a contribution to the Municipal School Fund, which is to be reported under item 7 of the expenditures as referred to in the instructions on page 71).

The municipality that originally incurred the expenditures should supplement the ordinary Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45) with an additional statement showing the revenues and expenditures on joint account, the form for which is shown on page 168.

Also, each county municipality should ascertain and report the assets and liabilities outstanding at the close of the fiscal year in respect of such Joint Expenditure Boards or Committees, and either incorporate them in the Capital and Loan Fund, Sinking Fund, or Revenue Fund Balance Sheet, as the case may be, or report them by means of a separate balance sheet, such as prescribed for miscellaneous local authorities or activities (Form 18 on page 125), so as to make possible a consolidation of all assets and liabilities in the Combined Balance Sheet, Exhibit I (Form 1 on page 1).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the amount levied for joint expenditure by each municipality, including towns and cities, should be included in item 1(11-111).

Poor District Rates

3. The total amount *levied* by the municipality for Poor District Rates should be shown separately as an expenditure under item 14 in Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72. Expenditures made or incurred by the municipality on behalf of each Poor District, which are chargeable against the respective levies, should be kept separate from all other expenditures, and these should be reported by means of a special statement separate and apart from the ordinary Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45). The form for such a special statement is shown on page 170.

If, instead of the municipality making the expenditures for and on behalf of the Poor Districts, as referred to in the foregoing, amounts are paid periodically, as may be required, to the Overseers of Poor, who in turn incur the expenses and pay the bills, the municipality should ascertain the exact standing of all poor district accounts at the close of each year so as to be able to prepare the special statement referred to, as shown on page 170, covering poor district operations. Also, the municipality should ascertain from the Overseers of Poor the amount of any assets or liabilities outstanding at the close of the fiscal year, in respect of each such Poor District, and either incorporate them in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31), or report them by means of a separate balance sheet, such as prescribed for miscellaneous local authorities or activities (Form 18 on page 125), so as to make possible a consolidation of all assets and liabilities in the Combined Balance Sheet, Exhibit I (Form 1 on page 1).

The balance of levies for Poor District Rates in excess of expenditures by the municipality in respect thereof, or in excess of amounts paid by the municipality to Overseers of Poor, should be shown as "Deferred Revenue—Poor District Rates" under item 10, *Other Liabilities*, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). And similarly, expenditures by the municipality in respect of Poor Districts, or amounts paid by the municipality to Overseers of Poor, in excess of the amounts levied for Poor District Rates, should be shown as "Deferred Expenditure—Poor District Rates", under item 12, *Other Assets*, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). If any assets or liabilities of Poor Districts at the close of the year are included in the Revenue Fund Balance Sheet, it should be borne in mind that either the *deferred expenditure* or the *deferred revenue* account will be affected, and these should be adjusted accordingly (excess of assets over liabilities—a credit to deferred revenue; or excess of liabilities over assets—a debit to deferred expenditure).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total of amounts levied for Poor District Rates should be included in item 1 (11-111).

Provincial Highway Tax

4. The amount of Provincial Highway Tax due and payable to the Provincial Government for the year under review should be shown separately as an expenditure under item 14 in Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72. Although, in the case of municipalities, the amount due and payable for Highway Tax in any one year is based partly on capitation (poll) and partly on assessed value of real property and income, it nevertheless forms part of the general municipal levy and should be reported accordingly in the revenue statement. Any unpaid balance due the province at the close of the year should be shown under item 6, *Due to Province*, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the levy for Provincial Highway Tax should be included in item 1(11-111).

District or Special Area Rates (Other than Poor Districts)

5. Levies, expenditures, and other transactions relating to any such Districts or Special Areas should be treated in the same manner as Poor District Rates, as explained on page 154.

Village Commissioners' Rates

6. Levies, expenditures, and other transactions relating to any such rates levied for and on behalf of Village Commissioners should be treated in the same manner as Poor District Rates, as explained on page 154, except that it is not necessary to prepare a special statement relating to their operations, or to incorporate their assets and liabilities in the municipal statements, as the activities of Village Commissioners do not come within the jurisdiction of the municipal corporation.

New Brunswick

Counties

1. Some slight departure from the general procedure will have to be followed by counties in New Brunswick in reporting revenues as provided for in Exhibit V (Form 8 on page 45). Item 1, *Taxation* (Revenue) should include only the total amount of taxes levied for the current fiscal year in the several Parishes within the county. Revenue from other municipalities (i.e., from cities, towns and villages) for their share of the net total expenditures for general county purposes, as well as for special charges, which together make up the total warrant, should *not* be included as taxation revenue but shown under item 8(84) in the revenue statement. On the expenditure side no special procedure need be followed, in that expenditures should be reported on the basis of the classification set out in the general statement. It will no doubt be found desirable in most instances, however, to supplement this general statement of revenues and expenditures with one showing the detail of charges, as between those for general county purposes and specials, for cities, towns, and villages, and also for parishes. The form for this supplementary statement is shown on page 169.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), only the taxes levied in the Parishes should be included.

County Rates

2. Expenditure for county rates, as referred to in the instructions on page 72 in connection with item 14 of Exhibit V (Form 8 on page 45), applies only to cities, towns, and villages. Each municipality should include here only the total of its share of the general county rates and special charges, which amount should be in agreement with the relative amount shown as a revenue under item 8(84) by the county, as referred to in 1 above.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the amount levied for county rates should be included in item 1(11-111).

QUEBEC

Counties

1. As counties in the Province of Quebec have no direct power of taxation, but merely the right to impose a rate or charge against the constituent local municipalities comprising the county, some slight departure from the general procedure will have to be followed in reporting revenues as provided for in Exhibit V (Form 8 on page 45). Instead of item 1, *Taxation* (Revenue) counties should report in its place the revenue derived from the imposition of county rates or other charges classified according to municipalities, as follows:

1. *County Rates:*
   - 11. Towns: (Specify)
   - 12. Villages: (Specify)
   - 13. Rural Municipalities: (Specify)

All other revenues of the county should then be shown, to the extent that they are applicable, according to the classification of items 2 to 10 inclusive, and item 14, as shown in the general statement (Form 8 on page 45). On the expenditure side, however, no special procedure need be followed, in that expenditures should be reported on the basis of the classification set out in the general statement.

Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), does not apply to counties in Quebec.

County Rates

2. The expenditure for county rates, as referred to in the instructions on page 72 in connection with item 14 of Exhibit V (Form 8 on page 45), applies only to towns, villages, and rural municipalities. Each municipality should include here only the total county rate or charge for the current fiscal year, which amount should be in agreement with the relative amount shown as a revenue by the county, as referred to in 1 above.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the amount levied for county rates should be included in item 1(11-111).

Montreal Metropolitan Commission —Assets and Liabilities

3. There are two types of municipalities falling within the scope of the operations of this Commission, namely (1) *autonomous municipalities*, and (2) *aided municipalities*. In order that the financial relationship between these municipalities and the Commission may be clearly set out in the balance sheets and revenue and expenditure statements, it is necessary that some special procedures should be followed. In the Capital and Loan Funds Balance Sheet, each municipality should show its share of the net total bonded or debenture debt (i.e., the gross debt less sinking funds) under item 3 of the liabilities, with the assets reported in the ordinary way according to the purpose for which the bonds or debentures were issued. (As the relationship between the Commission and these municipalities is more or less the same as when debentures are assumed from another municipality, reference should be made to the explanations on page 141 for further

information in this regard.) In the Sinking Fund Balance Sheet, each municipality should show as an asset under item 8, its share of the sinking fund held by the Commission, with a corresponding *reserve for retirement of debentures* under item 1 of the liabilities. In the Revenue Fund Balance Sheet, amounts due from the Commission should be shown under item 4 of the assets, and similarly amounts due to the Commission should be shown under item 5 of the liabilities. In this way, complete effect may be given to the financial relationship between each municipality and the Commission, as the amounts thus reported should be in agreement with the relative assets and liabilities reported in the financial statements of the Commission itself.

Montreal Metropolitan Commission —Charges

4. The same procedure should be followed by each municipality in reporting its expenditures in this regard as in the case of assets and liabilities. Accordingly, each municipality should show as an expenditure under item 14, as referred to in the instructions on page 72, its share of the net total requirements of the Commission, as provided for either by way of general or special assessment.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the amount levied for these charges should be included in item 1(11-111).

Municipal Mutual Insurance Companies

5. Although municipalities are required to levy taxes against properties insured with such companies to meet established damages, and may levy additional taxes to establish an insurance reserve fund, any such taxes, tax collections, and other transactions relating to the operations of the insurance company should be kept separate from the general municipal transactions. The owners of the insured properties constitute the insurance corporation, which in turn is under the control and management of the municipal council; thus the municipality is in effect acting in the capacity of a "trustee" in respect of the insurance funds. Accordingly, tax levies in this regard and expenditures for damages, reserves, or other purposes should *not* be included in the Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45). Taxes outstanding, including both current and arrears, and other assets, as well as liabilities, including reserves, should be reported in the Trust, Reserve and Agency Fund Balance Sheet, Exhibit II(c) (Form 5 on page 26).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), any such amounts included in the roll should be shown under item 3(36).

Water Rates

6. Rates charged to customers for water utility services are a direct revenue of the utility and should be shown accordingly in the Utility Income and Expenditure Account, Exhibit VIII(W) (Form 11 on page 89). In most provinces the charge for this service is based on either the facilities or services enjoyed in each household or other establishment, or on the quantity of water consumed, and such charges are billed and

collected independently of municipal taxes. But there are cases, mainly in Quebec, where the charge for water service is based on the rental value of the property and included in the yearly tax roll for collection in the same manner as ordinary municipal taxes. Notwithstanding this practice, however, any such water rates or charges should be accounted for separate and apart from taxes; the total of such rates or charges for the current fiscal year should be included in item 1 of the utility income statement, as referred to above, and outstanding or unpaid rates due from customers should be shown as an asset under item 3, *Accounts Receivable* in the Utility Balance Sheet, Exhibit VI (Form 9 on page 75).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), any such water rates or charges should be *excluded*.

ONTARIO

Counties

1. As counties in the Province of Ontario have no direct power of taxation, but merely the right to impose a rate or charge against the constituent local municipalities comprising the county, some slight departure from the general procedure will have to be followed in reporting revenues as provided for in Exhibit V (Form 8 on page 45). Instead of item 1, *Taxation* (Revenue), counties should report in its place the revenue derived from the imposition of county rates or other charges, classified according to municipalities, as follows:

1. *County Rates:*
   11. Towns: (Specify)
   12. Villages: (Specify)
   13. Townships: (Specify)

All other revenues of the county should then be shown, to the extent that they are applicable, according to the general classification of items 2 to 10 inclusive, and item 14, as shown in the general statement (Form 8 on page 45). On the expenditure side, the general classification of expenditures, as shown in Exhibit V (Form 8 on page 45), should be followed. For the most part, items 1-9 inclusive, together with items 13 and 16, comprise the normal functional groups of expenditures for county municipalities. Other items of expenditure, such as for *agriculture* and *reforestation*, for which no provision is made in the general municipal statement inasmuch as they do not apply, should be shown separately.

Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), does not apply to counties in Ontario.

County Rates

2. The expenditure for county rates, as referred to in the instructions on page 72 in connection with item 14 of Exhibit V (Form 8 on page 45), applies only to towns (other than separated towns), villages, and townships in counties. Each local municipality should show as an expenditure under this item its total share of the county rates or charges for the current fiscal year, *including secondary school and other educa-*

tional costs. It will thus be seen that these amounts should be in agreement with the relative amounts shown as a revenue by the county, as referred to in 1 above.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the amount levied for county rates (including secondary school and other educational costs) should be included in item 1(11-111).

Police Village Rates or Levies

3. The total amount *levied* by the municipality for the purposes of Police Villages should be shown separately as an expenditure under item 14 in Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72. Expenditures made or incurred by the municipality on behalf of each Police Village, which are chargeable against the respective levies, should be kept separate from all other expenditures, and these should be reported by means of a special statement separate and apart from the ordinary Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45). The form for such a special statement is shown on page 170.

If, instead of the municipality making the expenditures for and on behalf of the Police Villages, as referred to in the foregoing, amounts are paid periodically, as may be required, to the Police Village Trustees, who in turn incur the expenses and pay the bills, the municipality should ascertain the exact standing of all police village accounts at the close of each year so as to be able to prepare the special statement referred to, as shown on page 170, covering police village operations. Also, the municipality should ascertain from the Police Village Trustees the amount of any assets or liabilities outstanding at the close of the fiscal year, in respect of each Police Village, and either incorporate them in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31), or report them by means of a separate balance sheet, such as prescribed for miscellaneous local authorities or activities (Form 18 on page 125), so as to make possible a consolidation of all assets and liabilities in the Combined Balance Sheet, Exhibit I (Form 1 on page 1).

The balance of levies for Police Village Rates in excess of expenditures by the municipality in respect thereof, or in excess of amounts paid by the municipality to Police Village Trustees, should be shown as "Deferred Revenue—Police Village Rates" under item 10, *Other Liabilities,* in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). And similarly, expenditures by the municipality in respect of Police Villages, or amounts paid by the municipality to Police Village Trustees, in excess of amounts levied for Police Village Rates, should be shown as "Deferred Expenditure—Police Village Rates" under item 12, *Other Assets,* in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). If any assets or liabilities of Police Villages at the close of the year are included in the Revenue Fund Balance Sheet, it should be borne in mind that either the *deferred expenditure* or the *deferred revenue* account will be affected, and these should be

adjusted accordingly (excess of assets over liabilities—a credit to deferred revenue; or excess of liabilities over assets—a debit to deferred expenditure).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total of amounts levied for such Police Village Rates should be included in item 1(11-111).

Special Area Rates or Levies

4. Levies, expenditures, and other transactions relating to any such special areas should be treated in the same manner as Police Village Rates, as explained on page 146.

These special areas are found mostly in townships where they have been established for the purpose of providing such services as police and fire protection, sewage and other improvements. It is only in such cases that the procedure outlined should be followed. There are instances, however, where special areas are formed for the purpose of providing utility services such as water, electricity, or street railway, in which event the amounts levied as a special area rate should be shown as an expenditure under item 12 of Exhibit V (Form 8 on page 45). (For further information in this latter regard, refer to the instructions on page 72 in connection with item 12 of the expenditures, and also to the instructions on page 94 in connection with item 3 of the income, for a water supply system).

Suburban Roads Commission Charges

5. This item of expenditure, as referred to in the instructions on page 72 in connection with item 14 of Exhibit V (Form 8 on page 45), applies only to cities, separated towns and counties which share in the expenses of maintaining and constructing suburban roads. Each municipality should report as an expenditure under this item its total share of the Suburban Roads Commission Charges for the current fiscal year.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142) the amount levied for Suburban Roads Commission Charges should be included in item 1(11-111).

Manitoba

Greater Winnipeg Sanitary District Charges

1. Sewer rental charges imposed by the municipalities to meet their respective shares of the annual operating and maintenance costs, together with the annual debt charges on the capital cost, should be shown as a revenue under item 6, *Service Charges*, in the Revenue and Expenditure Account, Exhibit V (Form 8 on page 45). The amount payable to the Greater Winnipeg Sanitary District by each municipality, representing its share of the annual assessment or allocation to meet the operating and maintenance costs of the District, should be shown as an expenditure under item 14 of Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72. Other expenditures by the municipality which are chargeable against revenue derived from the sewer rentals should be reported according to the general classification provided for ordinary municipal expenditures.

Amounts due to and from the Greater Winnipeg Sanitary District should be shown under either item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

If, in any instance, the above sewer rental charges are included in the yearly tax roll, the total thereof should be shown under item 3(36) in preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142).

Greater Winnipeg Water District Charges

2. The levy on land by each municipality comprising the Greater Winnipeg Water District should be included as a revenue under item 1(11-111), and a corresponding amount shown as an expenditure under item 12 in the Revenue and Expenditure Account, Exhibit V (Form 8 on page 45). Similarly, the amount of such levy should be shown as income of the water supply system under item 3, and a corresponding amount shown as an expenditure under item 8 in Exhibit VIII(W) (Form 11 on page 89). This latter procedure is necessary in order to show a complete statement of operations for the municipal water utility, including the sources from which the utility income has been derived.

Amounts due to and from the Greater Winnipeg Water District should be shown under either item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the amount of the levy for Greater Winnipeg Water District Charges should be included in item 1(11-111).

Each municipality should also report its contingent liability in respect of Greater Winnipeg Water District debentures, in Exhibit II(*a*) (Form 3 on page 17).

Municipal Commissioner's Levy

3. The amount levied on the municipality by the Municipal Commissioner, representing its share of the apportioned expenditures for services falling under the jurisdiction of the Municipal Commissioner, should be shown as an expenditure under item 14 of Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72.

The balance of amounts owing to or from the Municipal Commissioner on account of any such levies, together with interest thereon, if any, should be shown under either item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the amount of the Municipal Commissioner's Levy should be included in item 1(11-111).

Provincial Trunk Highways

4. The amount of the annual instalment payable to the province on this account, including both principal and interest, should be shown as an expenditure under item 14 of Exhibit V

(Form 8 on page 45), as referred to in the instructions on page 72. Principal and interest should be shown separately.

The unmatured principal balance owing on this account should be shown under item 3, *Other Long Term Indebtedness*, of the liabilities in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 7), and the balance of any amounts past due and unpaid should be shown under item 6 of the liabilities in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the levy for Provincial Trunk Highways should be included in item 1(11-111).

Village District Committee Rates or Levies

5. The total amount *levied* by the municipality for Unincorporated Village Districts should be shown separately as an expenditure under item 14 in Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72. The actual revenues and expenditures of all such Village District Committees should be reported by means of a special statement, the form for which is shown on page 170. This statement should be prepared from the annual return to Council by such Village District Committees, which should also include any assets or liabilities outstanding at the close of the year, so that these may also be reported in the financial statements of the municipality.

The balance of any such Village District Committee Rates or Levies in excess of amounts paid by the municipality to the committee(s) should be shown as "Deferred Revenue—Village District Rates" under item 10, *Other Liabilities*, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31), and similarly, amounts paid by the municipality to the committee(s) in excess of amounts levied in that regard should be shown as "Deferred Expenditure—Village District Rates" under item 12, *Other Assets*, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

It may occur in some instances, where arrangements have been made accordingly by the Village District Committee(s), that the municipality makes or incurs the expenditures directly and pays the accounts for and on behalf of the committee(s), but notwithstanding this fact, the procedure outlined above should still be followed.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total Village District Committee Rates or Levies should be included in item 1(11-111).

Saskatchewan

Telephone Tax Levy

1. Taxes levied by the municipality, both general and special, for and on behalf of Rural Telephone Companies, should be treated as *Agency or Trust Accounts*. Accordingly, the total amount of such taxes levied should not be included either as taxation revenue for municipal purposes, or as an expenditure, in the Revenue and Expenditure Account (General

Section), Exhibit V (Form 8 on page 45). Assets and liabilities in respect of such Telephone Tax Levy, to the extent that they may be separable from general revenue fund balance sheet accounts, should be reported in the Trust, Reserve and Agency Funds Balance Sheet, Exhibit II(c) (Form 5 on page 26). Unpaid taxes should be shown as such under item 4 of the assets and the balance due to Rural Telephone Companies should be shown under item 1 of the liabilities. Normally, the assets and liabilities in respect of such telephone levies should be in agreement, but due to tax consolidations or tax sales and collections thereon, as well as to other transactions in respect of telephone levies which may be accounted for through certain revenue fund balance sheet accounts, there may be some differences. These differences would represent *inter-fund* balances and should be shown accordingly in the respective balance sheets.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total Telephone Tax Levy should be shown under item 3(33).

Hail Insurance Tax Levy

2. Taxes levied by the municipality for and on behalf of Hail Insurance Associations should be treated in the same manner as outlined in respect of Telephone Tax Levy in 1 above.

Public Revenue Tax

3. Taxes levied by the municipality for and on behalf of the Provincial Government (including drainage debenture tax) should be treated in the same manner as outlined in respect of Telephone Tax Levy in 1 above.

Wild Lands Tax

4. Wild Lands Taxes levied by the municipality for and on behalf of the Provincial Government should be treated in the same manner as outlined in respect of Telephone Tax Levy in 1 above.

Union Hospital Districts

5. Taxes levied by the municipality for Union Hospital Districts should be treated in the same manner as other taxes levied for general municipal purposes and included as part of taxation revenue in item 1 of Exhibit V (Form 8 on page 45). The expenditure in this regard, represented by the municipality's share of the hospital district requisition for the year, should be included in item 6, *Public Welfare,* as referred to on page 69.

Amounts due to and from Union Hospital Districts at the close of the fiscal year should be shown either under item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total levy for Union Hospital Districts should be included in item 1(11-111).

ALBERTA

Social Services Tax

1. Social Services Tax levied by the municipality for and on behalf of the Provincial Government should be treated as *Agency or Trust Accounts*. Accordingly, the total amount of such taxes levied should not be included either as taxation revenue for municipal purposes, or as an expenditure, in the Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45). Assets and liabilities in respect of such Social Services Tax Levy, to the extent that they may be separable from general revenue fund balance sheet accounts, should be reported in the Trust, Reserve and Agency Funds Balance Sheet, Exhibit II(c) (Form 5 on page 26). Unpaid taxes should be shown as such under item 4 of the assets, and the balance due to the Provincial Government should be shown under item 1 of the liabilities. Normally, the assets and liabilities in respect of such Social Services Tax Levy should be in agreement, but there may be transactions in respect thereof accounted for through certain revenue fund balance sheet accounts, in which event the differences, if any, would represent *inter-fund* balances and should be shown accordingly in the respective balance sheets.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total Social Services Tax Levy should be included under item 3(36).

Educational Tax

2. Educational Tax, levied only by Municipal Districts on land not in a school district for and on behalf of the Provincial Government, should be treated in the same manner as outlined in respect of Social Services Tax in 1 above.

Wild Lands Tax

3. Wild Lands Tax, levied only by Municipal Districts for and on behalf of the Provincial Government, should be treated in the same manner as outlined in respect of Social Services Tax in 1 above.

Hail Tax

4. Taxes levied by the municipality for and on behalf of Hail Insurance Associations should be treated in the same manner as outlined in respect of Social Services Tax in 1 above.

Hospital Tax

5. Taxes levied by the municipality for and on behalf of Hospital Districts should be treated in the same manner as outlined in respect of Social Services Tax in 1 above.

School Tax

6. Although school taxes levied by municipalities may be accounted for by means of trust accounts, the amount of such levies should nevertheless be included as taxation revenue for school purposes under item 1 in Exhibit V (Form 8 on page 45), and a corresponding amount shown as an expenditure under item 7.

The procedure for reporting assets and liabilities in respect of such School Tax should be the same as outlined for Social Services Tax in 1 above.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total levy for School Tax should be included in item 1(12).

Greater Vancouver Water District

1. Financial transactions of the municipality relating to the Greater Vancouver Water District should be reflected in the statements of the Water Utility. The cost of water purchased should be shown as an expenditure under item 3 of the Utility Income and Expenditure Account, Exhibit VIII(W) (Form 11 on page 89). Amounts due to or from the Greater Vancouver Water District in respect of water utility transactions should be shown under either item 8 of the liabilities or item 8 of the assets, as the case may be, in the Public Utility Balance Sheet, Exhibit VI (Form 9 on page 75).

Each municipality should also report its contingent liability in respect of Greater Vancouver Water District debentures, in Exhibit II(*a*) (Form 3 on page 17).

Vancouver and Districts Joint Sewerage and Drainage Board

2. The annual assessment made by the Vancouver and Districts Joint Sewerage and Drainage Board on the municipality should be shown as an expenditure under item 14 in Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72. Amounts due to or from the Board should be shown under either item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the levy for Vancouver and Districts Joint Sewerage and Drainage Board assessment should be included in item 1(11-111).

Each municipality should also report its contingent liability in respect of Vancouver and Districts Joint Sewerage and Drainage Board debentures, in Exhibit II(*a*) (Form 3 on page 17).

Special Area Rates or Levies

3. Where a defined section of the municipality is formed into a special area for the purpose of rendering certain services, the costs of which are levied against properties within that area, the total of the taxes *levied* for these areas should be shown as an expenditure under item 14 in Exhibit V (Form 8 on page 45), as referred to in the instructions on page 72. Expenditures made or incurred by the municipality in respect of any such area services should be kept separate from all other expenditures and reported by means of a special statement separate and apart from the ordinary Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45). The form for such a special statement is shown on page 170.

The balance of any such area levies in excess of expenditures by the municipality in respect thereof should be shown as "Deferred Revenue—Special Area Rates" under item 10, *Other Liabilities*, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31). And similarly, expenditures by the municipality in respect of such special areas in excess of amounts levied therefor should be shown as "Deferred Expend-

iture—Special Area Rates" under item 12, *Other Assets*, in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31).

The foregoing applies to all general municipal services which are rendered to limited or defined areas of the municipality, such as for police and fire protection, sewage and other improvements, but does not apply to utility services, such as for water, gas, railway, or electricity, for which special areas may have been formed. When any such utility services are provided for on a special area basis and a part or the whole of the cost thereof (other than for deficits) is provided for out of taxation, the amount of the tax levy in that regard should be shown as an expenditure under item 12 of Exhibit V (Form 8 on page 45). (For further information in this latter regard, refer to the instructions on page 72 in connection with item 12 of the expenditures, and also to the instructions on page 94 in connection with item 3 of the income, for a water supply system.)

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 27 on page 142), the total of amounts levied for special areas should be included in item 1(11-111).

Form 35

JOINT EXPENDITURE BOARD OR COMMITTEE

Revenue and Expenditure Account

For the Fiscal Year Ended..... (Day) ..... (Month) 19... **EXHIBIT V (Supplementary)**

REVENUE

1. Apportionment of Joint Expenditures—			
11. Municipality of		$.....	
12. City of		.....	
13. Town of		.....	
14. Town of		.....	
		Sub-Total	$.....
2. Miscellaneous Revenue—			
21.	Specify according to classi-	$.....	
22.	fication of items 2 to 12	.....	
23.	inclusive, and item 14 of the	.....	
24.	Revenues as shown in Ex-	.....	
25.	hibit V (Form 8 on page 45)	.....	
		Sub-Total	.....
3. Total Revenue			$.....

EXPENDITURE

1.	Specify according	.....	$.....
2.	to classification of	.....	.....
3.	items 1 to 13 inclus-	.....	.....
4.	ive, and item 16 of	.....	.....
5.	the Expenditures	.....	.....
6.	as shown in Ex-	.....	.....
7.	hibit V (Form 8 on	.....	.....
8.	page 45)	.....	.....
9.		.....	.....
10.		.....	.....
11. Total Expenditure			$.....
12. Surplus (or Deficit) for Year			.....
13. Total			$.....

Explanatory Note:

This is the form of supplementary statement referred to on page 154, which applies only to county municipalities in Nova Scotia in which there are Joint Expenditure Boards or Committees. It provides for the detail of the apportionment of joint expenditures as between the municipalities liable therefor, as well as the necessary detail of revenues from miscellaneous sources and expenditures on joint account.

ANALYSIS OF SPECIAL RATES AND CHARGES

For the Fiscal Year Ended..... (Day) ..... (Month) 19... **EXHIBIT V (Supplementary)**

	City, Town or Village (Specify)			Parishes (Specify)			
	.....	.....	Total Col. (1) + (2)	.....	.....	Total Col. (4) + (5)	Grand Total Col. (3) + (6)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
REVENUE							
1. Total Warrant—or—Taxes Levied	$.....	$.....	$.....	$.....	$.....	$.....	$.....
2. Special Revenue: (Specify)							
21.	.....	.....	.....	.....	.....	.....	.....
22.	.....	.....	.....	.....	.....	.....	.....
23.	.....	.....	.....	.....	.....	.....	.....
24.	.....	.....	.....	.....	.....	.....	.....
25.	.....	.....	.....	.....	.....	.....	.....
3. Total Revenue.....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
EXPENDITURE							
4. County Purposes.....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
5. Special Expenditures: (Specify)							
51.	.....	.....	.....	.....	.....	.....	.....
52.	.....	.....	.....	.....	.....	.....	.....
53.	.....	.....	.....	.....	.....	.....	.....
54.	.....	.....	.....	.....	.....	.....	.....
55.	.....	.....	.....	.....	.....	.....	.....
6. Total Expenditures...	$.....	$.....	$.....	$.....	$.....	$.....	$.....
7. Surplus..... or	.....	.....	.....	.....	.....	.....	.....
8. Deficit.....	.....	.....	.....	.....	.....	.....	.....
9. Grand Total.....	$.....	$.....	$.....	$.....	$.....	$.....	$.....

Explanatory Notes:

This is the form for the supplementary statement referred to on page 156. It applies only to Counties in New Brunswick.

Item 1—**Warrant**—applies only to columns (1), (2) and (3), the total of which should agree with the amount shown under 8 (84) of the revenues in the Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45), as referred to on page 156.

Taxes Levied—applies only to columns (4), (5), and (6), the total of which should agree with the total of the amounts shown under item 1 of the revenues in the Revenue and Expenditure Account (General Section), Exhibit V (Form 8 on page 45), as referred to on page 156.

Item 2—Special items of revenue which accrue directly to the credit of specific cities, towns, villages, or parishes. These should be shown here according to the classification of items 2 to 12 inclusive, and item 14 in Exhibit V referred to above.

Item 3—The total of item 1 and amounts shown under item 2.

Item 4—The apportionment of the net total charges for general county purposes.

Item 5—Special items of expenditure which are chargeable direct to specific cities, towns, villages, or parishes. These should be shown here according to the classification of items 1 to 13 inclusive and item 16 in Exhibit V referred to above.

Item 6—The total of item 4 and amounts shown under item 5.

Item 7 or 8—The difference between items 3 and 6, surplus or deficit, as the case may be.

Item 9—The total of items 6 and 7, or the difference between items 6 and 8, depending on whether a surplus or a deficit is shown.

Form 37

SPECIAL AREA OR DISTRICT RATES

For the Fiscal Year Ended..... ..... 19... **EXHIBIT V (Supplementary)**
(Day) (Month)

	Name or Number of Area or District					Grand Total
1. Balance January 1, 19....						
11. Deferred Expenditure	$.....	$.....	$.....	$.....	$.....	$.....
12. Deferred Revenue	.....	.....	.....	.....	.....	.....
2. Rates Levied for Current Year	.....	.....	.....	.....	.....	
3. Miscellaneous Revenue:						
31. ..... Specify according to clas-	.....	.....	.....	.....	.....	.....
32. ..... sification of items 2 to 12	.....	.....	.....	.....	.....	.....
33. ..... inclusive, of the Revenues	.....	.....	.....	.....	.....	.....
34. ..... as shown in Exhibit V	.....	.....	.....	.....	.....	.....
35. ..... (Form 8 on page 45).	.....	.....	.....	.....	.....	.....
4. Total	$.....	$.....	$.....	$.....	$.....	$.....
5. Expenditures:						
51. ..... Specify according to clas-	.....	.....	.....	.....	.....	.....
52. ..... sification of items 1 to 13	.....	.....	.....	.....	.....	.....
53. ..... inclusive, of the Expend-	.....	.....	.....	.....	.....	.....
54. ..... itures as shown in Exhibit	.....	.....	.....	.....	.....	.....
55. ..... V (Form 8 on page 45).	.....	.....	.....	.....	.....	.....
6. Total	$.....	$.....	$.....	$.....	$.....	$.....
7. Balance December 31, 19....						
71. Deferred Expenditure	$.....	$.....	$.....	$.....	$.....	$.....
72. Deferred Revenue	$.....	$.....	$.....	$.....	$.....	$.....

Explanatory Note:

This is the form of supplementary statement which should be prepared in connection with Poor District Rates, and District or Special Area Rates in Nova Scotia; Police Village Rates, and Special Area Rates in Ontario; Village District Committee Rates in Manitoba; and Special Area Rates in British Columbia, as referred to on pages 154, 156, 160, 161, 163 and 166 respectively. It provides for the necessary detail in support of any *deferred expenditure* or *deferred revenue* balances on this account shown in the Revenue Fund Balance Sheet, Exhibit III (Form 6 on page 31), as well as the necessary detail of revenues and expenditures for all such areas or districts.

APPENDIX "B"

UTILITY INCOME AND EXPENDITURE ACCOUNTS

Income and expenditure of utilities should be kept separate from ordinary municipal revenues and expenditures and a separate operating statement prepared for each, regardless of the method of financing operations or the method employed in the management and control of the enterprise. On page 89 of the Manual is shown the form of *Income and Expenditure Account* for a Water Supply System and this section includes similar statements for other utilities which are found in municipal organizations throughout Canada, as follows:

Electric Light and Power	Form 38
Gas Supply System	Form 39
Street Railway	Form 40
Bus Lines	Form 41
Telephone System	Form 42
Airport	Form 43
Ferries	Form 44
Central Heating	Form 45

For an explanation of these statements reference should be made to the instructions on pages 93 to 95 inclusive, relating to a Water Supply System, as the general procedure outlined in that regard applies as well to all other utilities.

Form 38

ELECTRIC LIGHT AND POWER

Income and Expenditure Account

For the Fiscal Year Ended..... ..... 19....
(Day) (Month)

INCOME

1. Sale of Electrical Energy:			
11. Residential Sales		$.....	
12. Commercial Sales—			
121. Power	$.....		
122. Lighting, etc	.....		
	Sub-Total		
13. Industrial Sales—			
131. Power	$.....		
132. Lighting, etc	.....		
	Sub-Total		
14. Sales to Public Authorities (other than own municipality)—			
141. Power	$.....		
142. Lighting, etc	.....		
	Sub-Total		
15. Sales to Own Municipality—			
151. Power	$.....		
152. Street Lighting	.....		
153. Other Lighting, etc	.....		
	Sub-Total		
16. Other Sales: Specify)			
161. Sales to Other Electric Utilities	$.....		
162.	.....		
163.	.....		
	Sub-Total		
		Sub-Total	$.....
2. Miscellaneous Income:			
21. Customers' Forfeited Discounts and Penalties		$.....	
22. Servicing of Customers' Installations		.....	
23. Sales of Merchandise		.....	
24. Other: (Specify)			
241.		.....	
242.		.....	
243.		.....	
		Sub-Total	.....
3. Provided by Municipality from Tax Levy:			
31. General or Special Area Rates		$.....	
32. Local Improvement Charges—Owners' Share		.....	
		Sub-Total	.....
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII			.....
6. Grand Total Income Section			$.....

ELECTRIC LIGHT AND POWER

Income and Expenditure Account

For the Fiscal Year Ended..... (Day) ..... (Month) ....19....

EXHIBIT VIII (E)

EXPENDITURE

1. Administration and General		$.....
2. Customers' Billing and Collecting		.....
3. Electrical Energy Purchased		.....
4. Generation of Electrical Energy:		
41. Maintenance	$.....	
42. Operation	.....	
Sub-Total		.....
5. Transmission and Transformation:		
51. Maintenance	$.....	
52. Operation	.....	
Sub-Total		.....
6. Distribution:		
61. Maintenance	$.....	
62. Operation	.....	
Sub-Total		.....
7. Street Lighting:		
71. Maintenance	$.....	
72. Operation	.....	
Sub-Total		.....
8. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
81. Cost of Merchandise Sales	$.....	
82.	.....	
83.	.....	
Sub-Total		.....
9. Depreciation		.....
10. Debenture Debt Charges:		
101. Interest	$.....	
102. Serial Debentures—Principal Instalments	.....	
103. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
11. Total Expenditure		$.....
12. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
13. Grand Total Expenditure Section		$.....

Form 39

GAS SUPPLY SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

INCOME

1. Sale of Gas:			
11. Residential Sales		$.....	
12. Commercial Sales		.....	
13. Industrial Sales		.....	
14. Sales to Public Authorities (Other than own municipality)		.....	
15. Sales to Own Municipality:			
151. Street Lighting	$.....		
152. Other Lighting, etc	.....		
	Sub-Total	.....	
16. Other Sales: (Specify)			
161. Sales to Other Gas Utilities		.....	
162.		.....	
163.		.....	
		Sub-Total	$.....
2. Miscellaneous Income:			
21. Customers' Forfeited Discounts and Penalties		$.....	
22. Servicing of Customers' Installations		.....	
23. Sales of Merchandise		.....	
24. Sales of By-Products		.....	
25. Other: (Specify)			
251.		.....	
252.		.....	
253.		.....	
		Sub-Total	.....
3. Provided by Municipality from Tax Levy:			
31. General or Special Area Rates		$.....	
32. Local Improvement Charges—Owners' Share		.....	
		Sub-Total	.....
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII			.....
6. Grand Total Income Section			$.....

GAS SUPPLY SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

EXHIBIT VIII (G)

EXPENDITURE

1. Administration and General			$.....
2. Customers' Billing and Collecting			.....
3. Gas Purchased:			
31. Manufactured Gas		$.....	
32. Natural Gas		.....	
		Sub-Total	.....
4. Gas Production:			
41. Manufactured Gas—			
411. Maintenance	$.....		
412. Operation	.....		
	Sub-Total	$.....	
42. Natural Gas			
421. Maintenance	$.....		
422. Operation	.....		
	Sub-Total	.....	
		Sub-Total	.....
5. Transmission:			
51. Maintenance		$.....	
52. Operation		.....	
		Sub-Total	.....
6. Distribution:			
61. Maintenance		$.....	
62. Operation		.....	
		Sub-Total	.....
7. Street Lighting:			
71. Maintenance		$.....	
72. Operation		.....	
		Sub-Total	.....
8. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)			
81. Cost of Merchandise Sales		$.....	
82.		.....	
83.		.....	
		Sub-Total	.....
9. Depreciation			.....
10. Debenture Debt Charges:			
101. Interest		$.....	
102. Serial Debentures—Principal Instalments		.....	
103. Sinking Fund Debentures—Sinking Fund Requirements		.....	
		Sub-Total	.....
11. Total Expenditures			$.....
12. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII			.....
13. Grand Total Expenditure Section			$.....

Form 40

STREET RAILWAY

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

INCOME

1. Transportation:		
11. Passenger	$.....	
12. Freight	.....	
13. Mail	.....	
14. Other: (Specify)		
141.	.....	
142.	.....	
143.	.....	
	Sub-Total	$.....
2. Miscellaneous Income: (Specify)		
21. Waiting Room and Car Privileges	$.....	
22.	.....	
23.	.....	
	Sub-Total	.....
3. Revenue Provided by Municipality from Tax Levy		.....
4. Total Income		$.....
5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
6. Grand Total Income Section		$.....

STREET RAILWAY

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

EXHIBIT VIII (SR)

EXPENDITURE

1. Administration and General		$.....
2. Way and Structures:		
21. Superintendence	$.....	
22. Maintenance of Track, Trolley, Buildings and Structures	.....	
Sub-Total		.....
3. Equipment:		
31. Superintendence	$.....	
32. Maintenance of Cars, Plant and Other Equipment	.....	
Sub-Total		.....
4. Traffic:		
41. Superintendence	$.....	
42. Advertising and Other Expenses	.....	
Sub-Total		.....
5. Conducting Transportation:		
51. Superintendence	$.....	
52. Power	.....	
53. Operation of Cars	.....	
Sub-Total		.....
6. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Depreciation		.....
8. Debenture Debt Charges:		
81. Interest	$.....	
82. Serial Debentures—Principal Instalments	.....	
83. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
9. Total Expenditures		$.....
10. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
11. Grand Total Expenditure Section		$.....

Form 41

BUS LINES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

INCOME

1. Transportation:			
11. Passenger	$.....		
12. Freight	.....		
13. Mail	.....		
14. Other: (Specify)			
141.	.....		
142.	.....		
143.	.....		
	Sub-Total	$.....	
2. Miscellaneous Income: (Specify)			
21. Waiting Room and Bus Privileges	$.....		
22.	.....		
23.	.....		
	Sub-Total	.....	
3. Revenue Provided by Municipality from Tax Levy		.....	
4. Total Income		$.....	
5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....	
6. Grand Total Income Section		$.....	

Form 41
(cont'd)

BUS LINES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19.....
(Day) (Month)

EXHIBIT VIII (BL)

EXPENDITURE

1. Administration and General		$.....
2. Buildings, Plant and Equipment:		
21. Superintendence	$.....	
22. Maintenance of Buildings and Shop Equipment	.....	
23. Maintenance of Vehicles	.....	
24. Garage Operating Expenditures	.....	
	Sub-Total	.....
3. Traffic Promotion (Advertising, etc.)		.....
4. Transportation:		
41. Superintendence	$.....	
42. Operation of Buses	.....	
	Sub-Total	.....
5. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
	Sub-Total	.....
6. Depreciation		.....
7. Debenture Debt Charges:		
71. Interest	$.....	
72. Serial Debentures—Principal Instalments	.....	
73. Sinking Fund Debentures—Sinking Fund Requirements	.....	
	Sub-Total	.....
8. Total Expenditures		$.....
9. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
10. Grand Total Expenditure Section		$.....

Form 42

TELEPHONE SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

INCOME

1. Telephone Service:		
11. Subscribers and Renters	$.....	
12. Private Branch Exchange	.....	
13. Private Lines	.....	
14. Long Distance Tolls	.....	
15. Other: (Specify)		
151.	.....	
152.	.....	
153.	.....	
	Sub-Total	$.....
2. Miscellaneous Income: (Specify)		
21. Pay Stations	$.....	
22. Directory Advertising	.....	
23.	.....	
24.	.....	
	Sub-Total	.....
3. Revenue Provided by Municipality from Tax Levy		.....
4. Total Income		$.....
5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
6. Grand Total Income Section		$.....

TELEPHONE SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

EXHIBIT VIII (T)

EXPENDITURE

1. Administration and General		$.....
2. Buildings, Plant and Equipment:		
21. Maintenance	$.....	
22. Operation	.....	
Sub-Total		...
3. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
31.	$.....	
32.	.....	
33.	.....	
Sub-Total		.....
4. Depreciation		.....
5. Debenture Debt Charges:		
51. Interest	$.....	
52. Serial Debentures—Principal Instalments	.....	
53. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
6. Total Expenditures		$.....
7. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
8. Grand Total Expenditure Section		$.....

54564—13

Form 43

AIRPORT

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Airport Facilities:			
11. Fees and Rentals		$.....	
12. Repairs and Services		.....	
13. Gas and Oil Sales		.....	
14. Other: (Specify)			
141.		.....	
142.		.....	
143.		.....	
		Sub-Total	$.....
2. Miscellaneous Income: (Specify)			
21. Waiting Room and Plane Privileges		$.....	
22.		.....	
23.		.....	
		Sub-Total	.....
3. Revenue Provided by Municipality from Tax Levy			.....
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII			.....
6. Grand Total Income Section			$.....

AIRPORT

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT VIII (A)

EXPENDITURE

1. Administration and General		$.....
2. Flying Field and Hangars:		
21. Maintenance	$.....	
22. Operation	.....	
	Sub-Total	.....
3. Other Buildings and Equipment:		
31. Maintenance	$.....	
32. Operation	.....	
	Sub-Total	.....
4. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
41.	$.....	
42.	.....	
43.	.....	
	Sub-Total	.....
5. Depreciation		.....
6. Debenture Debt Charges:		
61. Interest	$.....	
62. Serial Debentures—Principal Instalments	.....	
63. Sinking Fund Debentures—Sinking Fund Requirements	.....	
	Sub-Total	.....
7. Total Expenditures		$.....
8. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
9. Grand Total Expenditure Section		$.....

Form 44

FERRIES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

INCOME

1. Transportation:			
11. Passenger	$.....		
12. Freight	.....		
13. Mail	.....		
14. Other: (Specify)			
141.	.....		
142.	.....		
143.	.....		
	Sub-Total	$.....	
2. Miscellaneous Income: (Specify)			
21. Waiting Room, Dock and Boat Privileges	$.....		
22. Parks and Attractions	.....		
23.	.....		
24.	.....		
25.	.....		
	Sub-Total	.....	
3. Revenue Provided by Municipality from Tax Levy		.....	
4. Total Income		$.....	
5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....	
6. Grand Total Income Section		$.....	

FERRIES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

EXHIBIT VIII (F)

EXPENDITURE

1. Administration and General		$.....
2. General Superintendence		.....
3. Buildings, Plant and Equipment:		
31. Maintenance	$.....	
32. Operation	.....	
Sub-Total		.....
4. Transportation:		
41. Superintendence	$.....	
42. Operation of Boats, Docks, etc	.....	
Sub-Total		.....
5. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
51. Operation of Parks and Attractions	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Depreciation		.....
7. Debenture Debt Charges:		
71. Interest	$.....	
72. Serial Debentures—Principal Instalments	.....	
73. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
8. Total Expenditures		$.....
9. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
10. Grand Total Expenditure Section		$.....

Form 45

CENTRAL HEATING

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

INCOME

1. Steam Sales:

11. Residential Sales	$.....		
12. Commercial Sales	.....		
13. Industrial Sales	.....		
14. Sales to Public Authorities (other than own municipality)	.....		
15. Sales to Own Municipality	.....		
16. Other: (Specify)			
161.	.....		
162.	.....		
163.	.....		
	Sub-Total	$.....	

2. Miscellaneous Income: (Specify)

21.	$.....		
22.	.....		
23.	.....		
	Sub-Total	.....	

3. Provided by Municipality from Tax Levy:

31. General or Special Area Rates	$.....		
32. Local Improvement Charges—Owners' Share	.....		
	Sub-Total	.....	

4. Total Income ..... $.....

5. Deficit for Year (Excess of Expenditure over Income)—carried forward to Surplus (Deficit) Account, Exhibit VII ....

6. Grand Total Income Section ..... $.....

Form 45
(cont'd)

CENTRAL HEATING

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

EXHIBIT VIII (CH)

EXPENDITURE

1. Administration and General		$.....
2. Customers' Billing and Collecting		.....
3. Steam Production:		
31. Maintenance	$.....	
32. Operation	.....	
Sub-Total		.....
4. Distribution:		
41. Maintenance	$.....	
42. Operation	.....	
Sub-Total		.....
5. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Depreciation		.....
7. Debenture Debt Charges:		
71. Interest	$.....	
72. Serial Debentures—Principal Instalments	.....	
73. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
8. Total Expenditures		$.....
9. Surplus for Year (Excess of Income over Expenditure)—carried forward to Surplus (Deficit) Account, Exhibit VII		.....
10. Grand Total Expenditure Section		$.....

APPENDIX "C"

DOMINION-PROVINCIAL CONFERENCE ON MUNICIPAL STATISTICS IN CANADA

GENERAL STATISTICS, ASSESSMENT AND POPULATION SCHEDULES

(As revised by Conference, December 4 - 6, 1940)

FOREWORD

The original Committee appointed at the July, 1937, Conference to consider the question of general municipal statistics consisted of H. C. Goldenberg, representing the Canadian Federation of Mayors and Municipalities, Chairman; J. T. Lamontagne, Bureau of Statistics, Quebec; and H. H. Walker, Department of Municipal Affairs, Ontario. Mr. Goldenberg, however, subsequently withdrew from active participation on the Committee because of other duties, and Mr. H. C. Caldwell, then of the Dominion Bureau of Statistics, brought the first Committee report to a state of completion for submission to the May, 1940, Conference. As a result of conflicting interests between the Committees on General Statistics, Assessment and Population, and Revenues, Expenditures and Balance Sheets, the first two mentioned were consolidated at this Conference, and sections of the original general statistics report which dealt with financial matters were transferred to the latter Committee.

The new Committee on General Statistics, Assessment and Population, consisting of Mr. A. J. B. Gray, Department of Municipal Affairs, Ontario, Chairman, and a representative of each of the other provinces completed this work and the final schedules, following certain revisions, were adopted at the December, 1940, Conference.

I. POPULATION

	Day	Month	Year	No. of Persons
1. As per Assessment Roll	.....	.....	.....	.....
2. Other Estimates (Specify basis):				
21.	.....	.....	.....	.....
22.	.....	.....	.....	.....

II. AREA—IN ACRES

1. Land (including streets and highways):

11. Assessed for Taxation (from Assessment roll returned) on..... Day ..... Month .....19....

*111. Land Vacant	.....
*112. Land Built upon	.....
Total Land Assessed for Taxation	.....
12. Land exempt from taxation (excluding public parks and playgrounds)	.....
13. Land in Public Parks and Playgrounds	.....
Total Land Area	.....

2. Water Area (not otherwise included):

21. Water assessed for taxation	.....
22. Water exempt from taxation	.....
Total Water Area	.....
Grand Total Land and Water Area	.....

* This applies only to cities, towns and villages.

III. ASSESSED VALUATIONS

Classification	Assessment upon which Taxes are Levied					Exempt	
	General Purposes (net)	Schools		Schools only		General Purposes	Schools
		Public	Separate	Public	Separate		
	$	$	$	$	$	$	$
1. Real Property:							
11. Buildings:							
111. Residential..	.....	.....	.....	.....	.....	.....	.....
112. Other (Specify)							
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total Buildings...	.....	.....	.....	.....	.....	.....	.....
12. Land.....	.....	.....	.....	.....	.....	.....	.....
Total Real Property	.....	.....	.....	.....	.....	.....	.....
2. Business.....	.....	.....	.....	.....	.....	.....	.....
3. Income.....	.....	.....	.....	.....	.....	.....	.....
4. Other (Personal, etc., specify)							
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total Assessed Valuations.....	.....	.....	.....	.....	.....	.....	.....

IV. EXEMPTIONS

(Assessed Valuation of Property Exempt from Taxation)

Classification	Land	Buildings	Total
	$	$	$
1. Government Property:			
11. Dominion:			
111. Other than Indian Lands	.....	.....	.....
112. Indian Lands	.....	.....	.....
Total Dominion	.....	.....	.....
12. Provincial:			
121. Utilities	.....	.....	.....
122. Other: (specify)			
.....	.....	.....	.....
.....	.....	.....	.....
Total Provincial	.....	.....	.....
13. Municipal:			
131. Used by Municipal Government	.....	.....	.....
132. Schools (include Elementary and Secondary, exclude Private Schools)	.....	.....	.....
133. Public Parks	.....	.....	.....
134. Public Hospitals	.....	.....	.....
135. Public Libraries	.....	.....	.....
136. Property acquired for taxes	.....	.....	.....
137. Other: (Specify)			
.....	.....	.....	.....
.....	.....	.....	.....
Total Municipal	.....	.....	.....
Total Government Property	.....	.....	.....
2. Property used for Educational, Religious, Charitable and Welfare Purposes:			
21. Schools (Private), Colleges and Universities	.....	.....	.....
22. Property used for Religious Purposes	.....	.....	.....
23. Property used for Charitable and Welfare Purposes	.....	.....	.....
Total Property used for Educational, Religious, Charitable and Welfare Purposes	.....	.....	.....
3. Industrial and Business Enterprises	.....	.....	.....
4. Other: (Specify)			
.....	.....	.....	.....
.....	.....	.....	.....
Grand Total Exemptions	.....	.....	.....

V. ROAD AND STREET MILEAGE

(Within the Municipality)

Classification	SURFACE						
	Asphalt	Concrete	Gravel or Stone	Tar Treatment	Unpaved	Unopened	Total
1. Provincial Highways:							
11. Main							
12. Secondary							
2. County Roads							
3. County Suburban Roads							
4. Local Roads and Streets							
Public Lanes and Alleys							
Total Road and Street Mileage							

VI. SEWER AND WATER MAIN MILEAGE

1. Storm Sewers .....

2. Sanitary Sewers .....

3. Water Mains .....

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FINANCIAL STATEMENTS

ACCOUNTING TERMINOLOGY

POPULATION, AREA, AND ASSESSMENT SCHEDULES

FOR

MUNICIPAL CORPORATIONS

REVISED EDITION



A D.B.S. PUBLICATION

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CANADA

DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS
PUBLIC FINANCE DIVISION

MANUAL OF INSTRUCTIONS

PART I — FINANCIAL STATEMENTS OF MUNICIPAL CORPORATIONS

PART II — MUNICIPAL ACCOUNTING TERMINOLOGY

PART III — GENERAL STATISTICS, AREA, ASSESSMENT, AND POPULATION

PART IV — FINANCIAL STATEMENTS OF MUNICIPAL SUPERANNUATION OR PENSION FUNDS

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PREFACE

This publication is a revision of the Manual of Instructions, Municipal Accounting Terminology, and general municipal statistics schedules first published by the Dominion Bureau of Statistics in 1942, as a result of Dominion-Provincial Conferences on Municipal Statistics, held in 1937 and 1940. The original edition of some 8,000 copies, now out of print, received wide acceptance as an authoritative reference base for the development of standardized municipal accounting systems in Canada and for financial reporting by municipalities to provincial departments of municipal affairs. It has also been in demand by universities and students in the fields of commerce, finance and economics.

The foundation for this work was laid at the first Dominion-Provincial Conference on Municipal Statistics held in July, 1937, at which a Continuing Committee was appointed to carry out the recommendations of the Conference with respect to the problems involved in the proposed scheme of reporting municipal revenues, expenditures, and balance sheets.

The personnel of this Committee and the sources upon which it drew for advice and assistance are described in the Foreword of the 1942 Manual published on the recommendation of the 1940 Conference.

As a result of experience gained, and subsequent changes in municipal organizations, regulations and financial procedures, desirable revisions became evident, as was to be expected. The Dominion Bureau of Statistics then took steps to prepare for a revised edition. Proposed changes in the original classifications, terms and reporting statements and in the schedules relating to general municipal statistics were placed before another Dominion-Provincial Conference in September, 1947. Again a Continuing Committee was appointed to carry out the recommendations of the Conference. This Committee was comprised of Louis Jacobs, Director of Municipal Auditing and Accounting, Department of Municipal Affairs, Saskatchewan, Chairman; W. A. Orr, Deputy Minister of Municipal Affairs, Ontario; B. C. Bracewell, Deputy Minister of Municipal Affairs, British Columbia; G. Lemonde, Acting Director, Provincial Bureau of Statistics, Quebec; U. J. Harrington, Municipal Commissioner, Nova Scotia; and J. E. Howes of the Bank of Canada, and J. H. Lowther of the Dominion Bureau of Statistics, ex officio members.

The report of this Committee was dealt with at a further Conference held in September, 1948, and following further changes and recommendations, the revised schedules, classifications, terms and definitions included in this publication were adopted. Also, the Bureau was requested, by Resolution of the Conference, to publish a revised edition of the Manual of Instructions and Accounting Terminology, and to provide sufficient copies for distribution to municipal and other authorities.

This revision of the 1942 Manual, which, therefore, combines both instructional material and accounting terminology, has been prepared

under the direction of J. H. Lowther, Director, Public Finance Division, Dominion Bureau of Statistics, by J. A. Barclay. Full acknowledgment is made, by the Bureau, to the various Federal and Provincial officials and services who have co-operated, for their valuable suggestions and contributions to its contents.

HERBERT MARSHALL,
Dominion Statistician.

April 1, 1950.

NOTE: In accordance with the Resolutions of the 1948 *Dominion-Provincial Conference, a copy of this publication is being made available, without charge, to all municipalities in Canada, and to their local auditors. Additional copies may be obtained at a charge of* $1.00 *each by application to the Dominion Statistician, Ottawa.*

INTRODUCTION

One of the objectives of the Dominion-Provincial Conferences on Municipal Statistics has been the standardization of municipal financial reporting throughout Canada, not only to the public at large, but also to the Provincial Departments of Municipal Affairs or other authorities, which in turn would also make possible the procuring of comparable municipal statistics on a provincial basis. The schedules for reporting balance sheet information, revenues and expenditures, and other financial data relating thereto, as adopted at the December, 1940, Conference, were developed with these objectives in mind. These have been amended, enlarged upon and brought up to date at subsequent Conferences, and are published in revised form in this new edition of the Manual, which explains their application and use. At the same time provision is made in the Manual for a breakdown of municipal financial statistics and activities which will permit comparisons and consolidations to be made of financial statistics on a national scale, including the federal, provincial, and local governments.

Municipalities Affected

This Manual applies to all units of local government as they exist and are known in the several provinces, as follows (incorporated units are listed in bold-face type, subsidiary and overlaying units in italics):

Newfoundland: **Cities; Towns; Rural Districts; Local Government Areas.**

Prince Edward Island: **Cities; Towns; Villages.**

Nova Scotia: **Cities; Towns; Municipalities;** *Joint Expenditure Boards or Committees; Poor Districts; Districts and Special Areas; Village Commissions.*

New Brunswick: **Cities; Towns; Villages; Counties; Commissions; Local Improvement Districts.**

Quebec: **Cities; Towns; Villages, Township and Parish Municipalties, and Municipalities** (without designation); **Counties;** *Montreal Metropolitan Commission.*

Ontario: **Cities; Towns; Villages; Townships; Counties; Improvement Districts; Park Commissions;** *Health Units; Welfare Units; Windsor Utilities Commission; Mimico and New Toronto Joint Sewerage Commission; Police Villages; Special Areas; Suburban Roads Commissions; Interurban Administrative Areas.*

Manitoba: **Cities; Towns; Villages; Rural Municipalities; Local Government Districts;** *Greater Winnipeg Sanitary District; Greater Winnipeg Water District; Village District Committees; Hospital Districts.*

Saskatchewan: **Cities; Towns; Villages; Rural Municipalities;** *Local Improvement Districts; Health Regions; Union Hospital Districts.*

Alberta: **Cities; Towns; Villages; Municipal Districts;** *Improvement Districts; Hospital Districts.*

British Columbia: **Cities; Villages; Districts;** *Greater Vancouver Water District; Greater Victoria Water District; Vancouver and Districts Joint Sewerage and Drainage Board; Dyking District Boards; Drainage Districts; Irrigation Districts; Special Areas.*

Thus the use of the word "municipality" throughout the text of the Manual applies in a general sense to all incorporated units of local government as referred to above.

Financial Reports and Modification of Forms for Smaller Units

This volume contains an outline of the basic or fundamental requirements for an adequate municipal financial report, covering as it does the wide range of activities, funds and accounts that may be found in the larger municipalities. But even in this respect it reflects only what might be regarded as minimum needs. The overall requirements of an adequate financial report will vary even between larger municipalities, depending on the basic organization and development, range of services and local opinion. Additional schedules, supporting balance sheet or revenue and expenditure accounts, may also be included, depending on the requirements of interested persons and the desire of the officials to prepare reports which will be as useful and informative as possible.

Some additional statements recommended, the content of which would depend on the size and type of municipality concerned, are as follows:

1. Budget Operations — Estimated and Actual.
2. Sinking Fund and Other Investments:
   a) Book Value, Cost and Market Value.
   b) Sinking Fund Investments and Sinking Fund Debentures by years of maturity.
3. Cash Receipts and Payments (by funds).
4. Insurance Policies in force, including indemnity bonds on officials.
5. Municipal Employees (by funds):
   a) Number.
   b) Salaries or Wages paid.

Also, many tables of a purely statistical nature may be included, in which regard there are shown in Part III of this volume the schedules of General Statistics adopted by the Dominion-Provincial Conferences on Municipal Statistics. The inclusion of any of these additional financial or statistical statements will considerably enhance the value of the published financial report.

Financial reports of municipalities may also vary according to the purpose or interests they are intended to serve. At least two types of reports are desirable for many municipalities, certainly the larger ones.

The first is a complete, unabridged, detailed report, as referred to above, covering the whole range of local activities and responsibilities. This is usually represented or covered by the auditor's report and should meet the test of legal requirements and prescribed standards, and include such additional detail and information as may be agreed upon between the council, finance officer and auditor.

The requirements of such a report will depend entirely on the complexity of the system of municipal administration. If there are a number of separately constituted boards, commissions, special areas or districts of one kind or another, such as health, library, park boards, etc., which are responsible for the administration of these services, and such have to be separately accounted for, then the system of municipal accounting and reporting and the problems of unification become more complex.

However, a financial report in this detail is invaluable, if not in fact essential to the municipal authorities, finance officers and council who are engaged in the day to day business of administering and managing the municipality's affairs, as well as to the municipal banker and to other financial institutions concerned.

The second type of report, which is referred to solely to avoid unwarranted implications in the use and purpose of this Manual, is an abridged report which should be prepared and available for the use mainly of the ratepayers and other individuals in the municipality. This should be in very condensed and abbreviated form, consolidating the separately constituted funds and activities. It should deal with the complete range of local affairs, revenues and resources, but contain as few financial statements as possible, and these should be accompanied by such descriptive commentary and explanations as may be necessary to make the report easily and correctly understood. Pictorial and graphic illustrations are widely used in the many excellent examples of this latter type of report.

In the smaller municipalities the considerations are not the same. Their administrative systems are not nearly so complex, and it is possible to prepare financial statements and reports in simple form and quite readily understandable terms. However, uniformity of form, content, terms and expressions is still of paramount importance in these cases.

Considerable scaling down and simplification may have to be made in the forms put into use for the smaller municipalities, and also for municipalities of different type or character. For instance, some modification will no doubt be required as between the forms for use by towns and villages in some provinces, as well as in those for townships or rural municipalities of different sizes. These facts should be given due recognition in the use of this Manual, and it should not be inferred that smaller municipal units are expected to have their financial reports prepared on such an elaborate basis. Further, it will be noted that many of the forms or schedules do not apply to all municipalities. However, in the course of any simplification or modification that may be necessary, the basic principles laid down for the preparation of the general statements must be carefully followed.

The Dominion Bureau of Statistics has co-operated with Municipal Affairs officials of the provinces in designing forms and schedules for use by the different classes or types of municipalities and will continue to do so. In this way both the local and provincial requirements for municipal financial statements will be adequately provided for, while at the same time the principles of uniformity on a national basis, which is an all-important and essential factor towards improvement in municipal administration and in the field of public finance statistics, will be maintained.

Tax or Rate Roll

Some confusion may exist as to the use of the term tax, or rate roll in the text. It refers to the book(s), record(s) or list(s) used by municipalities in any province in which is entered the amount of taxes levied against each taxpayer or property in any year. Sometimes the tax roll and the assessment roll may be combined.

Reporting School Finances and Operations

In so far as Schools are concerned, while the same principles of separate fund accounting and reporting should be followed, no provision is made in the Manual for the financial statements reflecting school activities. The main reason for this is that the Conferences on municipal statistics did not deal with the problem of financial statements of school authorities as responsibility in this regard lies mainly with the Provincial Departments of Education. Another reason, however, is that there is no common basis or uniformity of practice in the financial administration of schools in relation to local municipal organizations; and this applies not only as between the several provinces but also within most of the provinces as well. In some instances school areas conform with municipal boundaries and the municipality levies and collects the school taxes and issues all debentures and effects other borrowings for and on behalf of local school authorities. In others, while the municipality may levy and collect the taxes, the local school authorities issue their own debentures and incur other debt directly; and in still other instances all financial administration, including the levy and collection of taxes, is carried out directly by the school authorities independently of the local municipality. In many of the latter instances, school areas do not conform to municipal boundaries. Thus, municipal reports generally would reflect only a small part of the financial administration of school authorities in organized areas, in addition to which there are, in some provinces, schools in unorganized areas which must also be taken into account.

However, where the local municipal authorities are responsible for reporting school finances, separate balance sheets and statements of revenue and expenditure, etc., should be included in the municipal report, on the basis prescribed for miscellaneous local authorities on pages xii, and 93 to 97 of the Manual.

The whole matter of educational statistics has been the subject of separate conferences convened by the Bureau and resulting therefrom a "Manual for School Secretary-Treasurers" was published in 1944 which

prescribes forms, terms, classifications and financial statements for reporting school finances.

Indexing Statements in Report

As balance sheets, surplus (deficit) accounts, and revenue (or income) and expenditure accounts constitute the principal financial statements in a report, it will be noted that these are referred to as "Exhibits", while the supplementary statements showing detail in support of items appearing in those statements are referred to as "Schedules". While the sequence of the Exhibits and Schedules in the Manual is considered to be the most appropriate and useful for reference purposes, other recognized methods for their indexing and arrangement in financial reports may be followed, such as to relate the detail schedules to the particular exhibits to which they refer.

Codification of Items

Reference should also be made to the fact that the various items are numbered independently in each statement. There is no intended correlation between items bearing the same numbers but appearing in different statements, although such may occasionally occur. The system of numbering items in the statements was employed mainly for the purpose of facilitating reference thereto, both in the Manual and elsewhere. It is intended, however, at some future date to give consideration to the development of a standard system of codification of assets, liabilities, revenues, and expenditures which may be adapted to the needs of any municipality.

Classification of Accounts

Classification of accounts is the basis of any accounting system. The measure of adequacy for any such classification is the degree to which it provides information needed for administration and reporting in an easily recorded and interpreted manner. No one classification can serve every conceivable need, and re-analyses and elaborations of some items may be required. Different classifications provide different information. The primary classification of municipal accounts is by funds, as municipal revenues are usually segregated for use for definite purposes, and may not be used for others. Consequently fund accounts should be identified in municipal records and grouped together. A brief reference to the different types of classifications and their use is contained in the following.

Fund Reporting

The schedules and accompanying instructions embodied in this Manual are predicated on the fundamental principle of separate fund accounting, namely, that the financial position and operations of each different fund (or activity) are reported separately. Generally speaking, the financial transactions of municipalities may be segregated into separate and distinct groups, being those relating to: (1) Capital and Loan

Funds; (2) Sinking Fund; (3) Revenue Fund; and for many of the larger cities and towns (4) Trust Funds. While a number of special funds such as reserve funds, pension funds, insurance funds, working capital funds, etc., may also be found in some of the larger municipalities, such, for the most part, are not of general application.

In addition to the foregoing, and from the standpoint of the municipality as a unit, schools, and utilities and other municipal enterprises such as housing and cemeteries also constitute separate funds. But note that this applies only from the standpoint of the municipality as a unit, because each of these enterprises or activities may in turn account for its financial situation on the basis of the three or four principal funds referred to above. This point is illustrated in the Manual by the use of the qualifying words "General Section" in the title to the statements wherever such apply to the strictly municipal transactions.

"Utilities", as referred to in the foregoing, applies to all such services rendered by the municipal corporation regardless of the legal definition or constitution thereof. For instance, in some municipalities the management and operation of municipal enterprises are generally, but not always, entrusted to a local board or commission which is duly constituted as a corporate entity separate and apart from the municipal council but nevertheless created by the parent municipal corporation. In other municipalities these same services are provided but the management and operation thereof are carried out by the municipal council. That is to say, while one municipality may have a Water Commission or Board of Water Commissioners, or a Public Utility Commission including both a Water Supply System and an Electric Light and Power System, a neighbouring municipality may provide these same services to its citizens and yet have no such "board" or "commission" vested with powers of management and operation. While such variations occur, they are merely incidental to the services provided which are of an identical nature in both instances. Thus, all utility enterprises, as well as other municipal enterprises (housing, cemeteries, and commercial ventures) irrespective of the method employed in the management and operation, or control of these activities, are considered as separate funds, the transactions of which should each be accounted for and reported separately from ordinary municipal activities. This is essential, not only for the accurate interpretation of financial statements and reports, but also for uniformity and comparability in municipal statistics.

Hospitals, libraries and parks, when administered by a duly constituted board or commission, should also be treated on this basis. See pages 93 to 97 of the text for further information in this regard.

Classification Within Funds

Revenues

Within the funds as determined for use in a municipality revenues may be classified in three principal ways: namely, by:

1. *Source*
2. *Department* (*or Organization Unit*)
3. *Purpose* (*or Activity*)

Source: This is the commonly used classification. Some funds have very few sources, perhaps only one, but many sources are applicable to general fund. Classification of revenues by source facilitates the preparation of budgets, budgetary control, the preparation of financial statements, and the production of comparable financial statistics. Examples of municipal revenue sources are: taxes; licences and permits; rents; concessions and franchises; fines; interest; etc. The exact titles used depend upon what is authorized, or what is accepted as common practice, and, of course, on the need to give a full presentation of revenues.

These main source classifications may again be broken down into various types within themselves. For instance, "Taxes" is subdivided into "General Taxation" and "Special Assessments", and these in turn into still more detail, such as for "General Taxation" which is subdivided into "real property, personal property, business, poll, etc." in order to obtain a more detailed presentation and understanding. Similarly, other sources may be broken down to give information desired, as in the case of "Contributions, Grants and Subsidies" which is detailed according to contributing agencies (i.e., Dominion, province, other municipalities, utilities, etc.).

Department: Sometimes revenues are classified by departments or organization units of the municipal government, or other collecting agencies. They may be further classified by activity within departments. This reflects responsibility for administration and serves as a check on the effectiveness of collections; it may also facilitate auditing. But since departments and their organization vary from municipality to municipality, valid comparisons on this basis between municipalities, and inter-provincially, are difficult, if not impossible.

Purpose: Occasionally revenues are designated by the purpose for which raised, such as taxes for hospital support (hospital taxes). This may have the advantage of emphasizing the reason for the tax and the purpose for which used but actually does not obviate the need for indicating the basic source, such as "real property" or "poll" tax.

Expenditures

Also within the fund classification prescribed, expenditures may be classified in five principal ways: namely, by:

1. *Function*
2. *Activity*
3. *Object*
4. *Character*
5. *Department (or Organization Unit)*

Function: Classification of expenditures by function reflects the purpose served by the expenditure, such as "General Government, Protection to Persons and Property, Sanitation and Waste Removal", etc. It facilitates statistical comparisons, as all municipalities provide many common functions even though their administrative organizations vary.

Functions may be subdivided, such as "Protection to Persons and Property" into "police protection, fire protection", etc.

Activity: Classification of expenditures by activity relates to the specific work carried out to accomplish a function. In other words, each function consists of a group of activities, just as the functional class "fire protection" consists of such actitivities as "administration, fire fighting force, fire alarm system, fire stations and buildings", etc. A classification by activity facilitates budget making and control and statistical comparisons because activities are similar as between municipalities even when departmental organizations differ. It also makes possible unit cost accounting.

As the above will convey, a clear cut distinction between function and activity cannot always be made, but this is not a serious weakness because the two are used in conjunction.

Object: Expenditures may be classified according to articles purchased, services obtained, obligations paid, and contributions between funds. Such a classification is very useful in preparing budgetary estimates of expenditure, when each activity is analysed by object in order to determine the estimated cost of services and commodities to be used. Comparison of changes in costs of activities can also be made, differences can be determined, and economies can be investigated because it is possible to compare performance with past years and also with other authorities.

Character: Useful for economic analysis, and informative as to when the benefits of expenditures are realized, a character classification is arranged by grouping of objects of expenditure as follows:

1. Current Expenses
2. Capital Expenditures
3. Debt Redemption

Current expenses may be further subdivided such as into purchases of goods and services, grants and subventions, and interest.

Department: The various activities may be assigned to departments or other organization units of the municipal government, and classified by departments rather than by functions. If sufficient detail is given, the expenditures may be re-classified and presented by functions. This method is usually followed by the larger municipalities. The same result is obtained in other instances by assigning activities to the several "committees of council". In either instance such an arrangement is very useful for budgeting purposes and serves to fix administrative responsibility for services. Under either system of administrative responsibility, the various activities within a department should be so arranged that they may be regrouped without further analysis so as to permit the classification of expenditures by function.

Basis of Classifying of Revenues and Expenditures in Manual

As heretofore stated, the classifications in this Manual are the result of conferences of officials from all of the provinces.

A classification of revenues by "source" was adopted, as this one is by far the most useful, and in some form or another was already in general use. The advantages have already been outlined. It has been so presented as to place due emphasis on the more important revenues which are common to most municipalities.

A classification by departments would have done little to accomplish the aims of the Conferences, as few municipalities have departmentalized their administration, and those which have do not follow a standard pattern. Hence provincial or national totals on this basis would be meaningless. Aside from this, however, a classification of revenues on this basis is of little or no practical use for financial or economic analysis. However, it is possible for municipalities which classify expenditures by department to present their revenues according to source.

Only a few revenues of municipalities are ever classified by a specific purpose, as most are for general purposes, and this would mean a very skimpy classification. However, due to the widespread Canadian practice of treating school taxes as a separate levy, classification by purpose was used in dividing taxation between general purposes and school purposes, and for the detail of the latter.

For reasons of usefulness and practice similar to those behind the adoption of a source classification of revenues, and for those advantages already dealt with, the classification of municipal expenditures by "function" was adopted. Here also, the functional terms and sub-items emphasize the important and wide range of services for which municipalities in the several provinces are responsible. This enables the municipalities to vary the detail presented as required by their size, and by provincial regulations.

Practical considerations led to a deviation from the main basis of presentation, when elements of a character classification were introduced and "Debt Charges" and "Capital Expenditures Provided out of Revenue" were segregated.

(Preparation of an object classification of expenditure is at present under consideration and study by a Continuing Committee of the Fifth (1948) Dominion-Provincial Conference on Municipal Statistics.)

Standard Terms and Definitions

Classification of accounts as described above is not possible without standard terms and definitions. This is necessary even for a municipality preparing an understandable report for one year as well as for all municipalities of a province, or in the Dominion, preparing reports comparable with one another, and consistent from year to year. This Manual, both in its forms and schedules with their explanatory texts in Parts I, III and IV, and the Municipal Accounting Terminology in Part II, attempts to give in broad outline standards for municipalities to follow. However, uniformity and comparability will not be achieved unless the terms and classifications are used only in accordance with the prescribed definitions and explanations.

Acknowledgments

In the course of preparing this Manual, many texts, reports, and forms devoted to similar or related matters were frequently referred to for both general and technical guidance; these comprised the following: publications of the Municipal Finance Officers Association on Municipal Accounting Statements and related subjects; publications of the National Association of Railroad and Utilities Commissioners on Uniform Systems of Accounts for Water, Electric and Gas Utilities, the Tentative Manual of Practice, Uniform System of Accounts for Sewer Utilities of the Federation of Sewage Works Associations; forms, reports, and instruction texts published by the Department of Commerce, Bureau of the Census, Washington; Accounting Terminology for Canadian Practice published by the Dominion Association of Chartered Accountants; forms and reports of the several provinces on municipal and utility statistics; and forms and reports of the Dominion Bureau of Statistics. This wealth of reference material was extremely helpful and the use thereof is gratefully acknowledged.

PART I — FINANCIAL STATEMENTS OF MUNICIPAL CORPORATIONS

FORM 1

COMBINED BALANCE SHEET

COMBINED BALANCE SHEET

As at ..... (Day) ..... (Month) .....19.....

EXHIBIT I

——	Capital and Loan Funds (General Section) Exhibit II	Sinking Fund Exhibit IV	Revenue Fund (General Section) Exhibit VIII	Other* Local Authorities Exhibit XI	Reserve Funds Exhibit XIV	Public* Utility Exhibit XVIII	Other* Municipal Enterprises Exhibits XXI and XXIV	Total Municipal	Trust and Agency Funds Exhibit XVII	Total
ASSETS	$	$	$	$	$	$	$	$	$	$
1. Cash	7	1	1	4	1	1 and 10	1		1	
2. Investments (Securities):										
21. Unmatured		2	2		2	2 and 10			2	
22. Matured and Unpaid		6								
3. Accounts Receivable:										
31. Sundry	8 (81)	5 and 7	3 (31 and 33)	5		3	2			
32. Contracts (or Mortgages)			3 (32)				3			
33. Due from Other Municipalities	5 and 8 (82)		4							
34. Due from Province	8 (83)		5							
35. Due from Dominion	8 (84)		6							
36. Due from Special Districts			9							
4. Taxes Receivable			10							
5. Properties Held for Sale			11			10 (101)	3 or 4			
6. General Fixed Assets	1 and 2			1		9	4			
7. Due from Other Funds or Local Authorities:										
71. Schools — For Debentures	3									
72. Utilities and Other Municipal Enterprises — For Debentures	4									
73. Schools — Other than for Debentures	9		7							
74. Utilities and Other Municipal Enterprises — Other than for Debentures	9		8							
75. Other Funds	6 and 9	3	15	2 and 6	3	4 and 11	5		3	
8. Other Assets: (Specify)										
81. Inventories			12			5				
82. Accrued Items		4	13			6				
83. Deferred and Prepaid Charges						7				
84. Unamortized Discounts	11					12				
85.										
9. Deficits and/or Extraordinary Expenses Capitalized	12									
10. Deficit		9	16	8		14	7			
Total	$	$	$	$	$	$	$	$	$	$

LIABILITIES	$	$	$	$	$	$	$	$	$	$
1. Bank Overdrafts			1	6		1	1			
2. Temporary Loans	4		2			2	2			
3. Accounts Payable:										
31. Sundry	5 (51)	2	3	7	2	3	3		2	
32. Debentures and Coupons Due			4			4				
33. Due to Other Municipalities	2 and 5 (52)		5							
34. Due to Province			6							
35. Due to Dominion			7							
36. Due to Special Districts			10							
4. Debenture Debt	1					9 (92)				
5. Other Long-Term Indebtedness	3					10				
6. Due to Other Funds or Local Authorities:										
61. Schools	6		8							
62. Utilities and Other Municipal Enterprises	6		9							
63. Other Funds	6	1 and 3	14	1, 2, and 8	3	5, 9 (91) and 11	4 and 5		3	
7. Other Liabilities: (Specify)										
71. Accrued Items			11			6				
72. Customers' Deposits						7				
73. Unamortized Premium	7					12				
74.										
8. Reserves for:										
81. Uncollectible Accounts Receivable			131 (1311)	10 (101)		14 (141)	7 (71 and 72)			
82. Uncollectible Taxes and Interest Receivable			131 (1312 and 1313)							
83. Loss on Property Held for Sale			131 (1314)				7 (73)			
84. Depreciation (General Fixed Assets)				4 (41)		14 (142)	7 (72)			
85. Reserve Fund Balances					1					
86. Trust and Agency Fund Balances									1	
87. Other Purposes	9	5	131 (1315, etc.) and 13 (132 and 133)	4 (42, etc.) and 10 (102, etc.)		14 (145, etc.)	7 (73, etc.)			
9. Investment in Capital Assets	10			5						
10. Surplus:										
101. Capital Surplus						14 (143 and 144) and 15 (151)	8 (81)			
102. Unappropriated or Earned Surplus		6	15	11		152	8 or 8 (82)			
Total	$	$	$	$	$	$	$	$	$	$

* A separate column should be used for each Local Authority, Public Utility, and Other Municipal Enterprise with identification given in the title: or if there are several of any group, they may be combined on a secondary statement or statements.

COMBINED BALANCE SHEET

The purpose of this statement is to present in concise form the com plete summarization of all assets, liabilities, reserves and surpluses of the municipal corporation including boards, commissions and other local authorities as well as all special functions or activities for which separate accounting is maintained. It will be noted that no column is provided for school authorities, as referred to in the introductory remark on page x. However, where the school authorities form part of the municipal organization, the balance sheet information should be included in this statement in order to present a composite picture of the whole range of local activities and services.

If balance sheet information for school authorities is not included in this statement, the amounts in the total columns would represent "Consolidated Balance Sheet" figures by merely eliminating items 72, 74 and 75 of the assets and items 62 and 63 of the liabilities, which should be equal to each other in total. If however, school balance sheet data are included in this statement, the whole of item 7 of the assets and item 6 of the liabilities should be equal to each other and eliminated to arrive at "Consolidated Balance Sheet" figures.

The amounts appearing in the individual balance sheets should be entered in this statement according to the condensed classification of assets and liabilities set out to the left and totals for each item should be extended and entered in the extreme right hand column. Two "Total" columns are provided, so as to show consolidated figures for all municipal authorities or agencies, both inclusive of and exclusive of trust and agency funds. The total figures excluding the latter are the more significant as trust and agency funds are not assets of the municipalities as such, nor do they represent liabilities of the municipalities other than in terms of the trust or arrangement under which held. In order to clarify the procedure in this regard, there is entered in each of the columns opposite the various asset and liability items, the number of the corresponding item or items appearing in the respective individual balance sheets. The only items which are not cross-indexed in this manner are those which would appear under the items "Other Assets" or "Other Liabilities" in each individual balance sheet. For the most part these would be entered under items 8 or 7 of the assets or liabilities respectively in this statement; but in some instances there may be amounts reported in this manner in the individual balance sheets which would be of the same nature as certain of the other items. It is therefore of utmost importance that the exact nature of all such assets and liabilities be clearly designated in the individual balance sheets so that they can be properly classified in the combined statement.

While such a statement as this would normally appear as the first financial statement in the report, it can be prepared only after all of the individual balance sheets have been completed and are available for consolidation. For a thorough understanding of its application it should be carefully studied *again*, together with the accompanying explanations, after the remainder of the Manual has been given consideration.

FORM 2

CAPITAL AND LOAN FUNDS BALANCE SHEET

(General Section)

CAPITAL AND LOAN FUNDS BALANCE SHEET
(General Section)

As at.....19.... EXHIBIT II
(Day) (Month)

Form 2

ASSETS

1. **General Fixed** (Land, Buildings, Plant, Equipment, Streets, Sewers, Drainage, etc., including Local Improvements): Schedule 1.... $.....

2. **Works in Progress** ....

3. **Due from Schools** (For Debentures):
   - 31. Elementary—
     - 311. Public School..... $.....
     - 312. Continuation School..... .....
     - 313. Separate School..... .....

     Sub-Total $.....
   - 32. Secondary—High School and Collegiate ....
   - 33. Technical or Vocational School..... .....
   - 34..... .....

     Sub-Total .....

4 **Due from Utilities and Other Municipal Enterprises** (For Debentures):
   - 41. Water Supply System..... $.....
   - 42. Electric Light and Power..... .....
   - 43. Gas Supply System..... .....
   - 44. Street Railway..... .....
   - 45. Bus Lines..... .....
   - 46. Telephone System ....
   - 47. Central Heating..... .....
   - 48. Ferries ....
   - 49. Other: (Specify)
     - 491. Airport ....
     - 492 ....
     - 493 ....
   - 50. Housing..... .....
   - 51. Cemeteries..... .....
   - 52. ....

     Sub-Total .....

LIABILITIES

1. **Debenture Debt** (Excluding Unsold Debentures): Schedule 2
   - 11. General—
     - 111. Capitalized Deficits ..... $.....
     - 112. Direct (Unemployment) Relief ....
     - 113. Hospitals ....
     - 114. Libraries..... .....
     - 115. Parks and Playgrounds ....
     - 116. All Other General Debt..... .....

     Sub-Total $.....
   - 12. Drainage (Other than General)..... .....
   - 13. Local Improvements—
     - 131. Municipality's Share ..... $.....
     - 132. Owners' Share ....

     Sub-Total .....
   - 14. Schools—
     - 141. Elementary—
       - 1411. Public School $.....
       - 1412. Continuation School ....
       - 1413. Separate School ....

       Sub-Total $.....
     - 142. Secondary-High School and Collegiate..... .....
     - 143. Technical or Vocational School ....
     - 144. ....

     Sub-Total .....
   - 15. Public Utilities and Other Municipal Enterprises —
     - 151. Water Supply System ..... $.....
     - 152. Electric Light and Power ....
     - 153. Gas Supply System ....
     - 154. Street Railway ....
     - 155. Bus Lines..... .....
     - 156. Telephone System..... .....
     - 157. Central Heating ....
     - 158. Ferries..... .....
     - 159. Other: (Specify)
       - 1591. Airport..... .....
       - 1592..... .....
       - 1593..... .....

5. Due from Other Municipalities for Debentures Assumed:

Schedule 1 (a) ....

6. Due from Sinking Fund for Retirement of Debentures:

Exhibit IV..... .....

7. Cash..... .....

8. Accounts Receivable:

81. Sundry	$.....	
82. Due from Other Municipalities (Other than for Debentures)	.....	
83. Due from Province	.....	
84. Due from Dominion	.....	
	Sub-Total	.....

9. Due from Other Funds (Other than for Debentures): (Specify)

91.	$.....	
92.	.....	
	Sub-Total	.....

10. Other Tangible Assets: (Specify)

101.	$.....	
102.	.....	
	Sub-Total	.....

11. Unamortized Discount ....

12. Deficits and/or Extraordinary Expenses Capitalized:

121. Direct Relief	$.....	
122. Revenue Deficits Capitalized	.....	
123. Extraordinary Expenses	.....	
	Sub-Total	.....

Total Assets ..... $.....

160. Housing	.....	
161. Cemeteries	.....	
162.	.....	
	Sub-Total	.....
	Sub-Total	$.....

2. Due to Other Municipalities for Debentures Assumed:

Schedule 4 (b)..... .....

3. Other Long-Term Indebtedness: (Specify)

31.	$.....	
32.	.....	
	Sub-Total	.....

4. Temporary Loans ....

5. Accounts Payable:

51. Sundry	$.....	
52. Due to Other Municipalities (Other than for Debentures)	.....	
53.	.....	
54.	.....	
	Sub-Total	.....

6. Due to Other Funds: (Specify)

61.	$.....	
62.	.....	
	Sub-Total	.....

7. Unamortized Premium..... .....

8. Other Liabilities: (Specify)

81.	$.....	
82.	.....	
	Sub-Total	.....

9. Reserves: (Specify)

91.	$.....	
92.	.....	
	Sub-Total	.....

10. Investment in Capital Assets ....

Total Liabilities ..... $.....

Guarantees or Contingent Liabilities..... $.....
Detail shown in Exhibit III (Form 3 on page 19).

CAPITAL AND LOAN FUNDS BALANCE SHEET

(General Section)

ASSETS

General Fixed

1. Fixed or permanent assets of the municipality, such as land, buildings, plant, equipment (including office furniture and public works equipment), parks, roads, streets, lanes and alleys, sidewalks, bridges, subways and tunnels, viaducts, grade separations, waterways, breakwaters, harbour developments, dykes, municipal drainage, sewers and drains, sewerage works and other improvements (including local improvements).

All fixed assets other than equipment, whether acquired through debenture issues (matured or unmatured), revenue fund budget appropriations, subsidies from other governments, or private donations, should be shown at original cost, including additions, extensions and major improvements thereto. Thus, fixed assets acquired by grants-in-aid (subsidies from other governments) should be shown at full original cost, not at net cost to the municipality. Similarly, those acquired by donations, bequests or endowments should be shown at original cost, if determinable, otherwise at the appraised value. (For land and buildings, it is recommended that such appraisal should be the gross assessed value as determined by the assessor, rather than market value.) (1)

Where two or more municipalities undertake a project jointly but with ownership vested in one municipality, the total value of the works should be shown as a fixed asset of the owning municipality and the contributions by the other municipality as an extraordinary expenditure capitalized.

However, the foregoing does not apply to Suburban Roads Commissions in Ontario where contributions by cities, separated towns and counties towards capital expenditures of these commissions should be shown as extraordinary expenditures capitalized.

NOTE: The practice of depreciating general fixed assets of a municipality is NOT recommended. All general fixed assets (other than equipment) should remain in the Capital and Loan Funds Balance Sheet at cost as long as they exist, being written off when they are sold or cease to exist, with replacements set up at cost. (Thus retirement of debenture debt incurred for the acquisition or construction of fixed assets would be credited to Investment in Capital Assets, not to a depreciation reserve account.)

NOTE: However, fixed assets of utilities and other municipal enterprises should be shown in the individual balance sheets of those activities at cost and depreciated according to normal business practice.

Equipment should be inventoried at the end of each year and the inventory valuation entered in this balance sheet under General Fixed Assets.

(1) Report of the Fifth Dominion-Provincial Conference on Municipal Statistics, page 20.

Details of this item are shown in Schedule 1 (Form 25 on page 166).

Assets of schools, utilities and other municipal enterprises (housing, cemeteries, etc.) are not to be included here, but should be shown in the respective balance sheets of each activity. Also PROPERTY ACQUIRED FOR TAXES is not included in this item, as it is an asset of the revenue fund, and should be shown in that balance sheet under item 11.

Works in Progress

2. Expenditures on account of fixed or permanent assets which are in process of construction (uncompleted projects). These would include capital undertakings, the cost of which is being met or is to be met out of the proceeds from debenture issues, as well as those being acquired through revenue fund budget appropriations.

Do not include here expenditures or advances on account of capital undertakings of local authorities, such as schools, utilities and other municipal enterprises (housing, cemeteries, etc.); any such amounts provided out of capital and loan funds pending the issue of debentures would be reported under item 9, Due from Other Funds.

Due from Schools (For Debentures)

3. Amounts recoverable from school levies in respect of debentures unmatured which were issued by the municipality for or on behalf of school authorities. In other words, when debentures are issued by the municipality for school purposes the asset offsetting the debt so incurred should be reflected at an amount equal to the unmatured debenture debt, with the exception that when sinking fund debentures are issued the asset should be equal to the "Sinking Fund Debentures" *less* the "Reserve for Retirement of Sinking Fund Debentures", i.e., the original amount of the debt less the actuarial requirements of the sinking fund.

The book value of the physical properties and other assets of school authorities, whether or not acquired through the issue of debentures by the municipality, should be kept in separate accounting records and reported accordingly in the school balance sheets.

Due from Utilities and Other Municipal Enterprises (For Debentures)

4. Amounts recoverable from utilities and other municipal enterprises in respect of debentures unmatured which were issued by the municipality. In other words, when debentures are issued by the municipality for utility and other municipal enterprise purposes the asset offsetting the debt so incurred should be reflected at an amount equal to the unmatured debenture debt, with the exception that when sinking fund debentures are issued the asset should be equal to the "Sinking Fund Debentures" *less* the "Reserve for Retirement of Sinking Fund Debentures", i.e., the original amount of the debt less the actuarial requirements of the sinking fund.

The book value of the physical properties and other assets of utilities and other municipal enterprises, whether or not acquired through the issue of debentures by the municipality, should be kept in separate accounting records and reported accordingly in their respective balance sheets.

Due from Other Municipalities for Debentures Assumed

5. Amounts recoverable from other municipalities in respect of debentures unmatured. Other municipalities become liable for such amounts usually as a result of annexation of territory or the joint undertaking of capital works or improvements. This asset should be shown at an amount equal to the other municipalities' share of the unmatured debt assumed, unless sinking fund debentures were assumed, when the same principles would apply as explained previously in connection with items 3 and 4. Detail of this item is shown in Schedule 1 (a) (Form 26 on page 168).

Due from Sinking Fund for Retirement of Debentures

6. As the sinking fund assets, liabilities and reserves are to be reported in a separate balance sheet, Exhibit IV (Form 4 on page 21), this item represents the amount due from the sinking fund for retirement of debentures and should be equal to item 1, "Reserve for Retirement of Debentures", in the Sinking Fund Balance Sheet, which conversely is an amount due to the capital and loan funds. The credits offsetting this asset account are reflected in either items 3, 4, 5 or 12 of the assets or item 10 of the liabilities, depending on the purpose for which the sinking fund debentures outstanding were issued; reference to this fact is made in the instructions relating to each of these items.

Cash

7. The balance of cash on hand or deposit secured from: borrowings on capital account, which would include debenture sales, temporary bank loans and borrowings from other funds; grants, subsidies, or contributions from other governments towards capital undertakings; or gifts and bequests from private sources which are to be expended for capital purposes. Also, include here the balance of proceeds from the sale of capital assets, the disposition of which has not been determined.

Accounts Receivable

8. Amounts due and owing on open account from sundry persons, firms or corporations, and other governments in respect of work done on their behalf out of capital or loan funds; or for balances on account of commitments made towards sharing in the cost of capital undertakings. It is important that any such receivables be classified according to the detail set out in the balance sheet. Do not include here amounts due from other funds or from other local boards or commissions.

Due from Other Funds

9. Amounts due from other funds of the municipality, including local boards or commissions, (as described in item 15 of the assets, Revenue Fund Balance Sheet, page 49), for advances out of capital and loan funds other than for deben-

tures as provided for by items 3 and 4; or for services provided, including the use of materials, supplies or equipment. These would include expenditures or advances on account of capital undertakings of local authorities pending the issue of debentures, as referred to in item 2, Works in Progress. *The name and amount owing by each other fund (or local authority) should be shown separately in the balance sheet;* and care should be taken to see that the corresponding liabilities of the other funds are in agreement with the amounts shown here.

Other Tangible Assets

10. Assets of a current or liquid nature, other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet, (such as temporary investments, mortgages, contracts or grants receivable). Any of the latter due from other governments should be shown separately.

Unamortized Discount

11. Discount on the sale of debentures, (i.e., the excess of the par value over the amount for which they are sold) which has not been amortized or otherwise provided for.

Deficits and/or Extraordinary Expenses Capitalized

12. This item offsets any debenture debt incurred to provide funds to meet revenue fund deficits, expenses such as direct relief or extraordinary expenses such as special grants as for patriotic purposes, which normally are provided for out of yearly budget appropriations. When a debenture issue is made for such purposes, the balancing entry should be made under this item, not as a reduction of Investment in Capital Assets. In such cases there is no tangible or material asset acquired and the issuing of debentures merely provides means for the temporary financing of such obligations. Accordingly, such items are to be reported at an amount equivalent to the unmatured debenture debt, with the exception that when sinking fund debentures are issued the item should be equal to the "Sinking Fund Debentures" *less* the "Reserve for Retirement of Sinking Fund Debentures", i.e., the original amount of the debt less the actuarial requirement of the sinking fund.

LIABILITIES

Debenture Debt

1. The gross amount of unmatured principal outstanding in respect of debentures issued by the municipality, including debentures issued for or on behalf of schools, utilities and other municipal enterprises, or other local authorities; but excluding any unsold debentures. Also include amounts due to the Dominion Government for advances under the *Municipal Improvements Assistance Act*, 1938, which, being secured by and repayable in the terms of debentures issued by the municipality, are for all practical purposes deemed to be a debenture debt. (Interim advances on uncompleted projects, however, should be shown under item 4 and separately identified.) Matured or past due instalments of debenture principal which have not been presented for payment or are

in default, or payment of which has been deferred by agreement or otherwise, are *not* included here, as these are a liability of the revenue fund and should be reported in that balance sheet under item 4.

The debenture debt should be carefully subdivided according to the detail required by items 11 to 15 inclusive. For the most part this detail is self-explanatory. Debentures issued for *arenas, exhibitions* or *fairs* are to be reported as *general debt* under item 11 (116), even though the annual debt charges thereon may be provided for wholly or in part from the operations of these enterprises. Also include in this item 11 (116) any debentures issued to finance private enterprise, such as elevators or other businesses, even though the company has undertaken to reimburse the municipality for the annual debt charges.

Debentures issued for utility or other municipal enterprise purposes should be reported under item 15, whether or not the operation and management of the utility or other municipal enterprise are placed under a separate board or commission, or are retained under the direct jurisdiction and control of council; and the same applies even though the annual debt charges on any utility or other municipal enterprise debentures are provided by council, either wholly or in part, through tax levies. The classification of the debt is not based on the system of management or the method employed to provide funds to meet the annual debt charges. Also, in cases where one set of debentures has been issued covering two or more types of work, such as sewers (general) and watermains (utility), the total amount outstanding should be divided proportionately so as to provide a correct classification of the debt; the portion relating to the former should be reported under item 11 (116) and the latter portion under item 15 (151). Detail of this item is shown in Schedule 2 (Form 27 on page 170).

2. The amount of unmatured *principal* outstanding on account of debentures assumed from other municipalities as a result of annexation of territory or the joint undertaking of capital works or improvements. Detail of this item is shown in Schedule 4(b) (Form 32 on page 176). **Due to Other Municipalities for Debentures Assumed**

3. Liabilities of capital and loan funds, other than debentures or debentures assumed, which are not of a current or liquid nature, such as treasury bills and mortgages, or other liabilities payable under long-term contract or agreement. **Other Long-Term Indebtedness**

4. Amounts owing on account of borrowings from banks or other sources for the purpose of temporary financing in connection with capital undertakings, including interim advances from the Dominion Government on uncompleted projects financed under the *Municipal Improvements Assistance Act*, 1938. Do not include any borrowings for relief or **Temporary Loans**

other current expenses even though such are to be funded by the issue of debentures; *these are revenue fund borrowings and are to be reported in the Revenue Fund Balance Sheet.*

Accounts Payable

5. Amounts due and owing on open account to sundry persons, firms or corporations and other governments for services rendered, including labour, material, supplies or equipment, as well as contractors' progress estimates, and expropriation claims or judgments arising from damage actions in connection with capital undertakings. It is important that any amounts due to either the Dominion or Provincial Government be shown separately, in addition to the detail set out in the balance sheet. Do not include here amounts due to other funds or to local boards or commissions.

Due to Other Funds

6. Amounts due to other funds of the municipality, including local boards or commissions (as described in item 14 of the liabilities, Revenue Fund Balance Sheet, page 52a), on account of advances for capital purposes in lieu of temporary borrowings from banks or other sources, or for services rendered, including the use of material, supplies or equipment. *The name and amount owing to each other fund (or local authority) should be shown separately in the balance sheet;* and care should be taken to see that the corresponding assets of the other funds are in agreement with the amounts reported here.

Unamortized Premium

7. Premium on the sale of debentures, (i.e., the excess of the selling price over the par value) which has not been amortized or otherwise taken into credit.

Other Liabilities

8. Liabilities other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet.

Reserve(s)

9. The general principles to be observed in showing reserves are set out in item 13, liabilities, Revenue Fund Balance Sheet, on page 52. The exact nature or purpose of each reserve should be indicated.

Reserves of schools, of utilities and other municipal enterprises, and of other local authorities which are accounted for separately, are not to be included here, but should be reported in the respective balance sheets of each activity.

Investment in Capital Assets

10. The excess of assets over liabilities and reserves in the Capital and Loan Funds Balance Sheet. It represents the municipality's equity in capital assets, in this instance of the general section only, i.e., exclusive of schools, utilities and other municipal enterprises, and other local authorities.

GUARANTEES

As at..... .....19...
(Day) (Month)

EXHIBIT III

Name of Principal Debtor	By-law No.	Maturity Date	Rate of Interest	Original Amount of Debt	Principal Outstanding Dec. 31st, 19...	Amount of Payments in Default by Debtor	Amount of Default Paid by Guarantor
(*a*) Other Municipal or School Corporations							
.....	.....	.....	.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total.....				$.....	$.....	$.....	$.....
(*b*) Private Corporations, Companies or Persons							
.....	.....	.....	.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total.....				$.....	$.....	$.....	$.....
Grand Total.....				$.....	$.....	$.....	$.....

NOTE—Mark "X" opposite debts guaranteed as to principal only. Mark "Y" opposite debts guaranteed as to interest only. All other debts will be considered guaranteed as to both principal and interest.

Sinking Funds against Total of (*a*) Above (if any)..... $.....
Sinking Funds against Total of (*b*) Above (if any)..... $.....

Total Sinking Funds..... $.....

REMARKS —(Give explanations where necessary to assure a clear understanding in respect of any of above Guarantees. Also note here any other Indirect or Contingent Liabilities.)

.....

.....

.....

Explanatory Notes:

The purpose of this statement is to show the detail of indirect liabilities of the municipality. These exist principally in the form of "guarantees" of bonds, debentures, stock or other securities issued by *other* municipal or school corporations or by private corporations, companies or persons, but other indirect or contingent liabilities should also be included. *Do not include school debentures issued by the municipality for or on behalf of its local school authorities.*

The columnar headings of the statement indicate the nature of the information required in respect of guarantees only, which should be divided between guarantees of debentures or other liabilities of other municipalities and school corporations (section (*a*)), and guarantees of liabilities of private corporations, companies or persons (section (*b*)). Guarantees as to *principal only* or *interest only* should be clearly identified according to instructions contained in the "note" at the foot of the statement. Sinking funds held by the issuing authority against principal guarantees should be ascertained and included in the statement by the reporting municipality. Other pertinent information in respect of any particular item or items should be noted under "Remarks" so as to assure a clear understanding of the exact nature of the guarantee.

Indirect or contingent liabilities other than guarantees should be detailed under "Remarks" at the foot of the statement.

FORM 4

SINKING FUND BALANCE SHEET

Form 4

SINKING FUND BALANCE SHEET

As at..... .....19...
(Day) (Month)

ASSETS

1. Cash			$.....
2. Investments (Issued or Guaranteed by):			
21. Dominion Government		$.....	
22. Provincial Governments—			
221. British Columbia	$.....		
222. Alberta	.....		
223. Saskatchewan	.....		
224. Manitoba	.....		
225. Ontario	.....		
226. Quebec	.....		
227. New Brunswick	.....		
228. Nova Scotia	.....		
229. Prince Edward Island	.....		
230. Newfoundland	.....		
Sub-Total		.....	
23. Municipal Governments (Excl. Own)		.....	
24. Own Municipality		.....	
25. School Corporations		.....	
26. Others: (Specify)			
261.	$.....		
262.	.....		
Sub-Total	.....		
Sub-Total		.....	
3. Due from Other Funds: (Specify)			
31.		$.....	
32.		.....	
Sub-Total		.....	
4. Accrued Interest			.....
5 Interest Due and Unpaid on Investments Unmatured			.....
6. Investments Matured and Unpaid			.....
7. Interest Unpaid on Investments Matured			.....
8. Other Assets: (Specify)			
81.		$.....	
82.		.....	
Sub-Total			
9. Deficit			.....
Total Assets			$.....

SINKING FUND BALANCE SHEET

As at..... .....19...
(Day) (Month)

EXHIBIT IV

LIABILITIES

1. Reserve for Retirement of Debentures (Due to Capital and Loan Funds, Exhibit II):			
11. General		$.....	
12. Drainage (Other than General)		.....	
13. Local Improvements		.....	
14. Schools		.....	
15. Utilities and Other Municipal Enterprises:			
151. Water Supply System	$.....		
152. Electric Light and Power	.....		
153. Gas Supply System	.....		
154. Street Railway	.....		
155. Bus Lines	.....		
156. Telephone System	.....		
157. Central Heating	.....		
158. Ferries	.....		
159. Other Utilities: (Specify)			
1591. Airport	.....		
1592.	.....		
1593.	.....		
160. Housing	.....		
161. Cemeteries	.....		
162.	.....		
	Sub-Total	.....	
		Sub-Total	$.....
2 Accounts Payable			.....
3 Due to Other Funds: (Specify)			
31.		$.....	
32.		.....	
		Sub-Total	.....
4 Other Liabilities: (Specify)			
41.		$.....	
42.		.....	
		Sub-Total	.....
5. Investment Reserve (s)			.....
6] Surplus			.....
Total Liabilities			$.....

SINKING FUND BALANCE SHEET

ASSETS

1. The balance of cash on hand or deposit in the sinking fund which has not been invested. **Cash**

2. Bonds, debentures, stock or other securities in which monies deposited in the sinking fund have been invested; these should be classified according to the detail shown in the balance sheet. Securities guaranteed as to principal are to be classified as investments of the *guarantor* and not as investments of the issuing authority; i.e., bonds issued by a Provincial Government, the principal of which has been guaranteed by the Dominion Government, would be included as Dominion Government investments; or debentures issued by a municipality, the principal of which has been guaranteed by the Provincial Government would be included as a Provincial Government investment; and similarly with respect to securities guaranteed by either your own or other municipalities. **Investments**

Also, it should be noted that investments in debentures of your own municipality, which have been guaranteed by another municipality, would be included under item 23; and investments in debentures of other municipalities guaranteed by your own municipality would be included under item 24.

Investments issued or guaranteed by School Corporations (item 25) refer to bonds, debentures, stock or other securities of school authorities which have the right to incur debt in their own name independently of the municipal corporation in which they may be situated, such as debentures of school corporations in Quebec, Manitoba, and some of the other provinces, or of Separate Schools in Ontario. Thus, these should not be confused with debentures issued by municipal corporations for or on behalf of their local school authorities.

Investments in securities issued or guaranteed by other than government or school corporations (item 26) would include those of companies subsidized by the Dominion of Canada, as well as securities of Loan or Trust Companies, and other such authorized investments.

Investments should be shown at book value, which should be on a cost basis, with due effect given to the amortization of premiums or discounts, as the case may be.

Matured or past due securities are not to be included here but reported under item 6.

3. Amounts due from revenue or other funds of the municipality, which would consist principally of amounts due from revenue fund on account of periodic sinking fund deposit requirements, but would also include amounts due on account of temporary advances to other funds out of deposits in the sinking fund. **Due from Other Funds**

The name and amount owing by each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding liabilities of the other funds are in agreement with the amounts included here.

Accrued Interest

4. Interest earned during the fiscal period which is not due or payable until a date in the next succeeding fiscal period. In other words, this item represents the amount of interest accrued on investments unmatured for the period from the last interest due date to the close of the fiscal period.

Interest due and unpaid on investments unmatured is not to be included here. It should be reported under item 5.

Interest Due and Unpaid on Investments Unmatured

5. Interest on investments unmatured which was due but unpaid at the close of the fiscal period.

Investments Matured and Unpaid

6. Investments due and payable (matured) in either the current or previous fiscal periods but which were not redeemed by the issuing authority as at the close of the current fiscal period. This may arise from non-presentation of securities for payment, the fact that the maturity date is too close to the end of the fiscal period to permit payment therein, or it may be due to default in payment of the securities by the issuing authority.

Interest Unpaid on Investments Matured

7. Interest due and payable, but which was not paid, on investments matured reported under item 6.

Other Assets

8. Assets of the sinking fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Cash deposited with the province on sinking fund account or with a trust company (trust deposits) or with other depositaries should be included here and *not* under item 1.

Deficit

9. The amount by which the "reserve for retirement of debentures" and other liabilities, including investment reserve(s), exceed the assets of the sinking fund.

LIABILITIES

Reserve for Retirement of Debentures

1. The amount of cash and other resources that *should be on hand* in the sinking fund as at the close of the fiscal period; in other words it is what is commonly known as the *actuarial requirements* of the fund in respect of sinking fund debentures outstanding. The total reserve should be carefully subdivided according to the different purposes for which the debentures were issued as shown by the classification set out in the balance sheet. This item actually represents the liability of the sinking fund to *capital and loan funds* for retirement of debentures issued on the sinking fund plan,

and should be equal to item 6 of the assets in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9).

2. Amounts due and owing which are payable out of cash or other resources of the sinking fund, but *not* including any amounts owing to other funds of the municipality. **Accounts Payable**

3. Amounts due to other funds of the municipality which would arise principally as a result of ordered withdrawals for revenue purposes not being paid over at the close of the fiscal period; temporary borrowings for the payment of matured sinking fund debentures pending the liquidation of securities held as investments on that account in the sinking fund; or as a result of the overpayment of revenue fund deposits into the sinking fund. **Due to Other Funds**

The name and amount owing to each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding assets of the other funds are in agreement with the amounts included here.

4. Liabilities of the sinking fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. **Other Liabilities**

5. Amounts set aside out of surplus earnings of the sinking fund as a reserve against possible losses which may arise from the redemption or liquidation of investments or other assets of the sinking fund for an amount less than the book value. **Investment Reserve(s)**

6. The amount by which the assets exceed the "reserve for retirement of debentures" and other liabilities, including investment reserve(s), of the sinking fund. **Surplus**

Explanatory Note:

The Sinking Funds (Assets and Liabilities) herein referred to are to include only those relating to debentures issued by the municipal corporation itself. Sinking funds of school corporations or other bodies that issued their own debentures must not be included, even though the funds are held or administered by the municipal corporation. When this latter situation exists, the municipality merely acts as trustee or agent for and on behalf of the independent authority; accordingly the assets and liabilities of any sinking funds so held are to be included in the Trust and Agency Funds Balance Sheet, Exhibit XVII (Form 15 on page 109).

FORM 5

SINKING FUND SURPLUS (DEFICIT) ACCOUNT

SINKING FUND SURPLUS (DEFICIT) ACCOUNT

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT V

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year.....	$.....	$.....	
2. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
3. Balance after Above Adjustments			$.....
4. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
....	.....	.....	
.....	.....	.....	
5. Surplus or Deficit for Year under Review—Brought Forward from Sinking Fund Income and Expenditure Account, Exhibit VI.....	.....	.....	
6. Surplus Transferred to Revenue Fund (General Section) **During Year under Review**—Carried Forward to Revenue and Expenditure Account, Exhibit X.....	.....	.....	
7. Balance of Surplus or Deficit at End of Year—Carried Forward to Sinking Fund Balance Sheet, Exhibit IV	.....	.....	$.....
8. Totals of Debit and Credit Columns.....	$.....	$.....	

SINKING FUND SURPLUS (DEFICIT) ACCOUNT

The purpose of this statement is to show the changes during the fiscal period in the surplus (or deficit) of the sinking fund; thus it actually represents an analysis, in condensed form, of the ledger account.

1. The balance of the account at the beginning of the year, the amount of which would be shown in *either* the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years which should be summarized according to character and *only the net result of similar adjustments* shown in the statement.

3. Extend the balance of the account after giving effect to the adjustments shown under item 2.

4. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to revenue fund, which should be summarized according to character and *only the net result of similar transactions* shown in the statement. These may vary in character, such as transfers to or from reserve accounts, or write-offs or adjustments relating to investments and other balance sheet accounts.

5. The surplus or deficit for the current fiscal year as shown by the Sinking Fund Income and Expenditure Account, Exhibit VI (Form 6 on page 33).

6. The portion of the surplus for either the current or previous years which was transferred (with authority) to Revenue Fund (general section) during the current fiscal year. The amount shown here should agree with that included under item 8 of the revenues in Exhibit X (Form 10 on page 57).

7. The balance of the account at the close of the year should be extended opposite this item and in addition entered in either the debit or credit column, as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 9 of the assets or item 6 of the liabilities, as the case may be, in the Sinking Fund Balance Sheet, Exhibit IV (Form 4 on page 21).

FORM 6

SINKING FUND

Income and Expenditure Account

SINKING FUND

Income and Expenditure Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT VI

INCOME

1. Sinking Fund Contributions		$.....
2. Interest On:		
21. Bank Deposits	$.....	
22. Investments	.....	
23. Loans or Advances to Other Funds	.....	
24. Sinking Fund Contributions Overdue and Deferred	.....	
Sub-Total		.....
3. Profit on Sale of Investments		.....
4. Premium or Bonus on Investments Matured (or Called)		.....
5. Other: (Specify)		
51.	$.....	
52.	.....	
Sub-Total		.....
6. Total Income		$.....
7. Deficit For Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit V.		.....
8. Grand Total Income Section		$.....

EXPENDITURE

1. Sinking Fund Provision (Actuarial Requirements)		$.....
2. Loss on Sale of Investments		.....
3. Administrative Expenses		.....
4. Other: (Specify)		
41.	$.....	
42.	.....	
Sub-Total		.....
5. Total Expenditure		$.....
6. Surplus for Year (Excess of Income over Expenditure)—Carried Forward to Surplus (Deficit) Account, Exhibit V		.....
7. Grand Total Expenditure Section		$.....

SINKING FUND INCOME AND EXPENDITURE ACCOUNT

INCOME

All income and expenditure, whether or not payment is received or made, should be shown in this statement.

1. The amount due from revenue fund for sinking fund requirements for the fiscal year, whether received or not. — Sinking Fund Contributions

2. Interest on bank deposits. — Interest

Interest on investments, received and accrued, held in the fund; deduct accrued interest paid on securities purchased during the fiscal period.

Interest on loans and advances to other funds, including accrued interest.

Interest on sinking fund contributions overdue and/or deferred, including accrued interest.

3. The amount by which the proceeds from sale of securities held as investments exceed their balance sheet valuation. — Profit on Sale of Investments

4. The amount received in excess of the par value of securities held as investments either when such have matured or when called for redemption before the due date. — Premium or Bonus on Investments Matured (or Called)

5. This item should include sundry revenues not provided for elsewhere in the statement, the source and nature of which should be specified. — Other

6. The total of items 1 to 5 above.

7. The amount by which item 5 of expenditures exceeds item 6 above. — Deficit

8. The total of items 6 and 7.

EXPENDITURES

1. The amount added during the year to the Reserve for Retirement of Debentures, item 1, Liabilities, Sinking Fund Balance Sheet (Form 4 on page 21). This should be the actuarial requirements for the fiscal year; that is, the amount required to bring the Reserve to the total which should be on hand in the sinking fund at the close of the fiscal period. — Sinking Fund Provision

2. The amount by which the balance sheet valuation of securities held as investments, which were sold during the year, exceeds the proceeds from sale. — Loss on Sale of Investments

3. Salaries, stationery and office supplies, and other administrative costs where these are paid directly out of the — Administrative Expenses

sinking fund rather than out of the Revenue Fund of the municipality.

Other

4. Sundry expenditures not provided for above, the purpose and nature of which should be specified.

5. The total of items 1 to 4 above.

Surplus

6. The amount by which item 6 of the income exceeds item 5 above.

7. The total of items 5 and 6.

FORM 7

SINKING FUND

Receipts and Payments Account

SINKING FUND

Receipts and Payments Accounts

For the Fiscal Year Ended ..... (Day) ..... (Month) .....19...

EXHIBIT VII

RECEIPTS

1. Cash at Beginning of Year		$.....
2. Interest On:		
21. Bank Deposits	$.....	
22. Investments	.....	
23. Loans and Advances to Other Funds	.....	
24. Sinking Fund Contributions Overdue and Deferred	.....	
Sub-Total		.....
3. Sale of Investments		.....
4. Redemption of Investments Matured:		
41. Par Value	$.....	
42. Premium or Bonus	.....	
Sub-Total		.....
5. Sinking Fund Contributions (Requirements)		.....
6. Other: (Specify)		
61.	$.....	
62.	.....	
Sub-Total		.....
7. Total Receipts		$.....
8. Bank Overdraft at End of Year		.....
9. Grand Total Receipts Section		$.....

PAYMENTS

1. Bank Overdraft at Beginning of Year		$.....
2. Purchase of Securities as Investments:		
21. Principal	$.....	
22. Accrued Interest	.....	
Sub-Total		.....
3. Payments to Other Funds: (Specify)		
31. Revenue Fund	$.....	
32.	.....	
33.	.....	
Sub-Total		.....
4. Administrative Expenses		.....
5. Other: (Specify)		
51.	$.....	
52.	.....	
Sub-Total		.....
6. Total Payments		$.....
7. Cash at End of Year		.....
8. Grand Total Payment Section		$.....

SINKING FUND RECEIPTS AND PAYMENTS ACCOUNT

RECEIPTS

The actual cash received and disbursed on account of the fund should be shown in this statement.

1. Cash on hand and/or in bank at beginning of the year. (This should be the amount shown on hand in the Sinking Fund Balance Sheet at the end of the previous fiscal period.) **Cash**

2. This item should include all interest received, whether current, in arrears, or accrued, including the following: **Interest**

Interest on bank deposits.

Interest on investments held in the fund.

Interest on loans and advances to other funds.

Interest on sinking fund contributions overdue and/or deferred.

3. Receipts from the sale of bonds, debentures and other securities, e.g., principal amount of proceeds derived from sale of securities held as investments. This should be equal to the book value of the securities sold, plus profit on the sale (or minus loss on the sale). **Sale of Investments**

4. The face or par value of securities redeemed should be shown separately from any premium or bonus received, as on securities called for payment before due date. **Redemption of Investments Matured**

5. Receipts from revenue fund on account of sinking fund deposit requirements, whether for the current fiscal year, for arrears, or in prepayment. **Sinking Fund Contributions (Requirements)**

6. Sundry receipts not provided for above, the source and purpose of which should be specified. **Other**

7. Total of items 1 to 6.

8. (As shown in the balance sheet for the current fiscal period.) **Bank Overdraft at End of Year**

9. The total of items 7 and 8.

PAYMENTS

1. (As shown in the balance sheet for the previous fiscal period.) **Bank Overdraft at Beginning of Year**

Purchase of Securities as Investments

2. Show separately the principal amount paid for the investments, and the amount paid for accrued interest thereon.

Payments to Other Funds

3. Amounts paid during the fiscal year to revenue fund for the redemption of debentures which fall due. Also payments to other funds, which should be specified, as should the purpose of the payment.

Administrative Expenses

4. Salaries, stationery and office supplies, and other administrative costs where these are paid directly out of the sinking fund rather than out of the Revenue Fund of the municipality.

Other

5. Sundry payments not provided for above, the purpose and nature of which should be specified.

6. Total of items 1 to 5.

Cash

7. Cash on hand and/or in bank at the end of the year. (This should be the amount shown on hand in the Sinking Fund Balance Sheet at the end of the current fiscal period.)

8. The total of items 6 and 7.

FORM 8

REVENUE FUND BALANCE SHEET

(General Section)

Form 8

REVENUE FUND BALANCE SHEET
(General Section)

As at..... (Day) .....(Month) .....19...

ASSETS

1. Cash			$.....
2. Investments			.....
3. Accounts Receivable: (Specify)			
31. Sundry Accounts and Rents Receivable	$.....		
32. Agreements	.....		
33.	.....		
Sub-Total		$.....	
Less: Reserve for Uncollectible Accounts Receivable—131 (1311)		.....	
Net Total			.....
4. Due from Other Municipalities: (Specify)			
41. Debentures Assumed		$.....	
42.		.....	
Sub-Total			.....
5. Due from Province: (Specify)			
51. Unemployment Relief		$.....	
52.		.....	
53.		.....	
Sub-Total			.....
6. Due from Dominion of Canada: (Specify)			
61.		$.....	
62.		.....	
Sub-Total			.....
7. Due from School Boards			.....
8. Due from Utilities and Other Municipal Enterprises: (Specify)			
81.		$.....	
82.		.....	
83.		.....	
Sub-Total			.....
9. Due from Special Districts: (Specify)			
91.		$.....	
92.		.....	
Sub-Total			.....
10. Taxes Receivable: Schedules 6 and 7:			
101. Taxes (Principal Only)	$.....		
102. Interest and Penalties on Taxes Receivable	.....		
103. Tax Arrears Agreements	.....		
Sub-Total		$.....	
Less Reserves for: Uncollectible Taxes—131 (1312)	$.....		
Interest on Taxes Receivable—131 (1313)	.....		
Sub-Total		.....	
Net Total			.....
11. Property Acquired for Taxes: Schedule 8			
111. Subject to Redemption	$.....		
112. Deeded to Municipality	.....		
Sub-Total		$.....	
Less: Reserve for Property Acquired for Taxes—131 (1314)		.....	
Net Total			.....
12. Inventories			.....
13. Accrued Items: (Specify)			
131.		$.....	
132.		.....	
Sub-Total			.....
14. Other Assets: (Specify)			
141.		$.....	
142.		.....	
Sub-Total			.....
15. Due from Other Funds: (Specify)			
151.		$.....	
152.		.....	
Sub-Total			.....
16. Deficit—Exhibit IX			.....
Total Assets			$.....

REVENUE FUND BALANCE SHEET
(General Section)

As at..... .....19...
(Day) (Month)

EXHIBIT VIII

LIABILITIES

1. Bank Overdrafts			$.....
2. Temporary Loans			.....
3. Accounts Payable			.....
4. Debentures and Coupons Due:			
41. Principal		$.....	
42. Interest		.....	
		Sub-Total	.....
5. Due to Other Municipalities: (Specify)			
51. Debentures Assumed:			
511. Principal	$.....		
512. Interest	.....		
	Sub-Total	$.....	
52.		.....	
		Sub-Total	.....
6. Due to Province: (Specify)			
61.		$.....	
62.		.....	
63.		.....	
		Sub-Total	.....
7. Due to Dominion of Canada: (Specify)			
71.		$.....	
72.		.....	
		Sub-Total	.....
8. Due to School Boards			.....
9. Due to Utilities and Other Municipal Enterprises: (Specify)			
91.		$.....	
92.		.....	
93.		.....	
		Sub-Total	.....
10. Due to Special Districts: (Specify)			
101.		$.....	
102.		.....	
		Sub-Total	.....
11. Accrued Items: (Specify)			
111.		$.....	
112.		.....	
		Sub-Total	.....
12. Other Liabilities: (Specify)			
121.		$.....	
122.		.....	
		Sub-Total	.....
13. Reserves—Other Than Deducted from Assets:			
131. Undetermined Losses on Assets: (Specify)			
1315 Uncollected Taxes	$.....		
1316.	.....		
	Sub-Total	$.....	
132. Contingencies: (Specify)			
1321.	$.....		
1322.	.....		
	Sub-Total	.....	
133. Future Expenditures: (Specify)			
1331.	$.....		
1332.	.....		
	Sub-Total	.....	
		Sub-Total	.....
14. Due to Other Funds: (Specify)			
141.		$.....	
142.		.....	
		Sub-Total	.....
15. Surplus—Exhibit IX			.....
Total Liabilities			$.....
Guarantees or Contingent Liabilities	$.....		

Detail Shown in Exhibit III (Form 3 on Page 19).

REVENUE FUND BALANCE SHEET

(General Section)

ASSETS

1. The balance of cash on hand or deposit in all general or special drawing or deposit accounts for banking transactions covering operations or other purposes relating to the revenue fund. Special accounts in which are deposited amounts to meet specific commitments out of revenue fund, such as for "debentures and coupons" should also be included as well as advances to or balances on hand in imprest and petty cash accounts. Only the net position of all such accounts should be shown, i.e., if an overdraft exists in one or more accounts and others have balances on deposit, only the excess of deposits over the overdrafts would be shown here. (If the overdrafts exceed the balances on deposit, the excess would be shown under item 1 of the liabilities.) Outstanding cheques should also be deducted from bank balances, and not shown separately as a liability. **Cash**

2. Bonds, debentures, stock, or other securities purchased or acquired for the purpose of temporarily investing cash pending the need of the funds for the purposes for which originally intended. Where investments of a more permanent nature are legally permitted, such as in shares of co-operatives, etc., these would be shown here also. **Investments**

3. Amounts due and owing by sundry persons, firms or corporations, other than governmental bodies. Rents include amounts owing on account of rentals of municipally-owned property including that acquired for taxes. **Accounts Receivable**

Amounts receivable which are covered by special agreements providing for specific terms as to time and mode of payment, such as would arise from the sale of municipally-owned property when the purchase price is paid in instalments, should be shown separately as indicated in the balance sheet. Other amounts receivable, which are of a special character from the standpoint of security for repayment or liquidity of the account, should also be shown separately.

4. Amounts due and owing by other municipalities. It is important that any such receivables be shown separately and not included as ordinary accounts receivable under item 3. Amounts due on account of debentures assumed should be shown separately; these would represent *past due* payments of principal or interest. [The unmatured portion of any such debentures assumed would be shown under item 5 of the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9)]; (see explanation on page 15). **Due from Other Municipalities**

Due from Province

5. Amounts due and owing by the Provincial Government for *Unemployment Relief, Road or Highway subsidies*, or other purposes. It is important that any such receivables be shown separately and not included as ordinary accounts receivable under item 3.

Due from Dominion of Canada

6. Amounts due and owing by the Dominion of Canada, such as for direct grants or subsidies for research enterprises or other purposes as well as for advances out of revenue funds in connection with Federal works or other projects. It is important that any such receivables be shown separately and not included as ordinary accounts receivable under item 3.

Due from School Boards

7. Amounts due and owing by school boards, whether local boards wholly or partially within the municipality, or enlarged units containing all or part of the municipality.

Due from Utilities and Other Municipal Enterprises

8. Amounts due and owing for advances out of revenue funds, or for services provided, including the use of materials, supplies or equipment, as well as for other purposes, from *Water Supply Systems*, *Electric Light and Power Systems*, or other utilities; *Housing Enterprises*, *Cemetery Boards*, or other municipal enterprises (such as abattoirs and retail establishments).

This item is not to be construed as including hospitals, libraries, parks boards, etc., as these are services rendered incidental to general governmental functions, and amounts owing by such separate administrative agencies should therefore be included under item 15. Similarly, amounts due from Special Districts should appear under item 9.

The name of, and amount owing by, each utility or other municipal enterprise should be shown separately in the balance sheet; and care should be taken that the liabilities in the contra balance sheets are in agreement with the assets shown here.

Due from Special Districts

9. Amounts due and owing for advances out of revenue funds, or for services provided, including the use of materials, supplies or equipment, or for other purposes from specially created municipal organizations which are not under the control or jurisdiction of the council of any municipality. These would include the following (not necessarily a complete list):

Nova Scotia—
Joint Expenditure Boards.
Village Commissioners.

Quebec—
Montreal Metropolitan Commission.

ONTARIO—
Suburban Roads Commissions.
Health Units.
Welfare Units.
Windsor Utilities Commission.
Mimico and New Toronto Joint Sewerage Commission.
Interurban Administrative Areas.

MANITOBA—
Greater Winnipeg Sanitary District.
Greater Winnipeg Water District.
Hospital Districts.

SASKATCHEWAN—
Local Improvement Districts.
Health Regions.
Union Hospital Districts.

ALBERTA—
Improvement Districts.
Municipal Hospital Districts.

BRITISH COLUMBIA—
Vancouver and Districts Joint Sewerage and Drainage Board.
Greater Vancouver Water District.
Greater Victoria Water District.
Dyking District Boards.
Drainage Districts.
Irrigation Districts.

Amounts due from Local Improvement Districts in New Brunswick and Ontario, Local Government Districts in Manitoba, special Commissions in New Brunwsick, and Park Commissions, in Ontario (i.e., Presqu'ile, Long Point, Burlington Beach), should not be included here, but should appear under item 4.

The name of, and amount owing by each Special District should be shown separately in the balance sheet; and care should be taken that the liabilities of the Special Districts are in agreement with the assets shown here.

Also, do not include here debit balances with respect to levies for Districts, Special Areas, and Poor Districts (if financial reports are not provided) in Nova Scotia; Police Villages and Special Areas in Ontario; Village District Committees in Manitoba; Special Areas in British Columbia. These are subsidiary to the municipality within which they are constituted, and generally do not prepare their own accounting statements. Hence overpaid levies on their account should not be shown here, but rather as deferred expenditure under item 14, Other Assets. Similarly, unpaid

levies should be shown as deferred revenue under item 12, Other Liabilities. See explanations page 194 to 209, and Form 44 on page 212.

Taxes Receivable

10. The total of *all taxes* levied by the municipality which remained unpaid at the date of the balance sheet, *including interest and/or penalties* accrued thereon, and amounts outstanding under *agreements* that have been entered into *for the consolidation of tax arrears.* Interest or penalties would include those which, *by statute, are required to be added* as well as other penalties that *may be added by by-law* of the municipality; wherever possible these should be shown separately from the principal amount of taxes outstanding as indicated by the detail in the balance sheet. Also show separately amounts outstanding under tax consolidations (tax arrears agreements). Detail of this item is shown in Schedules 6 and 7 (Forms 34 and 35 on pages 180 and 182).

Property Acquired for Taxes

11. The book value of properties acquired or purchased by the municipality at land tax sales for arrears of taxes, or by tax certificate registration, or other procedure for the same purpose. Properties which are still *subject to redemption* by the former owners or other interested parties should be shown separately from those for which the period of redemption has expired and title is *vested in the name of the municipality,* as indicated in the balance sheet. All properties in the latter category should be reported accordingly even though the tax title deeds have not actually been executed or registered by the municipality. Detail of this item is shown in Schedule 8 (Form 36 on page 182). Provincial Acts must be adhered to, of course, where they specify procedure which differs from the above.

When such properties are sold on the instalment plan the profit or loss on the sale should be written off and the amount owing by the purchaser transferred to item 3, *Accounts Receivable.* (The practice of applying the instalment payments against the book value until the purchase price is paid in full should not be followed except in those provinces where the legal requirements respecting such sales make it necessary that this be done.) When tax sale property which has been sold is repossessed because of non-payment of amounts owing, the asset should be transferred back to this item from *Accounts Receivable.* Here again the legal requirements respecting reinstatement of taxes against such properties should govern the basis upon which the book value of the property is shown.

Inventories

12. The inventory value of consumable goods or supplies on hand.

Accrued Items

13. Revenues earned but not yet due such as accrued interest on investments or accrued rentals. The exact nature of any such accrued items should be clearly indicated in the balance sheet.

14. Assets of the revenue fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. For instance the balance of "Tax Sale Account" at the end of the fiscal period, detail of which is shown in Schedule 9 (Form 37 on page 184), would be included here, as well as "Prepaid Expenses" such as unexpired insurance premiums, relief expenditures *to be* funded or others of a similar character. Care should be exercised, however, to see that no asset is shown here which should properly be shown under any of the other items. **Other Assets**

15. Amounts due and owing for advances out of revenue funds, or for services provided, including the use of materials, supplies or equipment, from: *Capital and Loan Funds, Sinking Fund, Trust and Agency Funds, Reserve Funds, and Working Capital Funds.* Also include here any amounts due and owing, as shown, from municipal activites for which separate balance sheets would be prepared as a result of independent accounting records being maintained, such as from hospitals, libraries, parks, etc., whether or not these activities are administered by an independent board or commission. Amounts due from Utilities and Other Municipal Enterprises are not to be shown here, but rather in item 8. Amounts due from Special Districts should be shown under item 9. **Due from Other Funds**

Amounts due from sinking fund would include ordered withdrawals therefrom, for revenue purposes not paid over at the close of the fiscal period; temporary advances for the payment of matured sinking fund debentures pending the liquidation of securities held as investments on that account in the sinking fund; and overpayments of deposits into the sinking fund.

The name of, and amount owing by, each fund and local activity should be shown separately in the balance sheet; and care should be taken that the liabilities of the other funds, etc., are in agreement with the amounts shown here.

16. The amount by which the liabilities and reserves of the revenue fund (general section) exceed the assets. **Deficit**

LIABILITIES

1. The amount by which the bank account(s) for transactions covering operations or other purposes relating to the revenue fund, are overdrawn; provided, however, that only the net position of all such accounts should be shown, as explained on page 45 in connection with item 1 of the assets. **Bank Overdrafts**

2. Amounts owing on account of borrowings from banks or other sources for the purpose of temporary financing pending the collection of taxes or other revenues. Include borrowings to meet current relief expenditures pending receipt of government grants-in-aid; or if any portion of current relief **Temporary Loans**

expenditures is to be funded, also include borrowings on that account pending the issue of debentures.

Accounts Payable

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies. Include all accounts covering expenditures during the current or previous fiscal periods which had not been paid at the close of the current fiscal period.

Debentures and Coupons Due

4. The amount of debenture principal and/or interest coupons which were past due but unpaid at the close of the fiscal period. Normally these are outstanding due to non-presentation for payment or the fact that the due date is too close to the end of the fiscal period to permit payment to be made therein; but any maturities (principal or interest) in default, or payment of which has been deferred by agreement or otherwise, should also be included. Do not include here accrued interest on outstanding debentures; if it is the practice to accrue debenture interest such should be shown under item 11. Also, do not show here any debenture principal or interest pre-levies [i.e., levies made in the current fiscal period on account of debenture maturities (principal or interest) which are not due and payable until a date in the following fiscal period]; such should be shown under item 12.

Amounts owing on account of debentures or coupons redeemed by the Province as guarantor should be shown as a liability "Due to Province" under item 6; and the same procedure should be followed with respect to guaranteed debentures or coupons redeemed by other guarantors.

Due to Other Municipalities

5. Amounts due and owing to other municipalities. It is important that any such payables be shown separately and not included as ordinary accounts payable under item 3. Amounts owing on account of past due payments of principal or interest in respect of debentures assumed should be shown separately. [The unmatured portion of any such debentures assumed would be shown under item 2 of the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9)]; (see explanation on page 17).

Due to Province

6. Amounts due and owing to the Provincial Government, such as for the implementation of guaranteed bank loans, debentures or interest coupons or for other advances. It is important that any such liabilities be shown separately and not included as ordinary accounts payable under item 3.

Due to Dominion of Canada

7. Amounts due and owing to the Dominion of Canada such as for deductions from payrolls for income tax, or for other purposes. It is important that any such liabilities be shown separately and not included as ordinary accounts payable under item 3.

8. Amounts due and owing to school boards, whether local boards wholly or partially within the municipality, or enlarged units containing all or part of the municipality. **Due to School Boards**

9. Amounts due and owing on account of borrowings for revenue fund purposes, or for services provided, including the use of materials, supplies or equipment, as well as for other purposes, including levies to *Water Supply Systems*, *Electric Light and Power Systems*, or other utilities, *Housing Enterprises*, *Cemetery Boards*, or other municipal enterprises (such as abattoirs and retail establishments). **Due to Utilities and Other Municipal Enterprises**

This item is not to be construed as including hospitals libraries, parks boards, etc., as these are services rendered incidental to general governmental functions, and amounts owing to such separate administrative agencies should therefore be included under item 14. Similarly, amounts due to Special Districts should appear under item 10.

The names of the Utilities and Other Municipal Enterprises, and amounts owing, should be shown separately in the balance sheet; and care should be taken to see that the assets of the contra balance sheets are in agreement with the amounts shown here.

10. Amounts due and owing for services provided, including the use of materials, supplies or quipment, or for other purposes, including levies, to specially created municipal organizations which are not under the control or jurisdiction of the council of any municipality. These would be as listed in item 9 of the assets. **Due to Special Districts**

The name of, and amount owing to, each Special District should be shown separately in the balance sheet; and care should be taken that the assets of the contra balance sheets are in agreement with the liabilities shown here.

11. Amounts representing expenditures of the current fiscal period, but which are not due and payable in the fiscal period, such as accrued interest on temporary loans or other notes payable. Also include here accrued interest on outstanding debentures, if such a practice is followed. The exact nature of each item should be clearly indicated in the balance sheet. **Accrued Items**

12. Liabilities of the revenue fund other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. For instance, if it is the practice to provide in the yearly tax levies for debenture maturities, principal or interest, in advance of their due date (i.e., levy in one year for maturities due in the next, or following years) the liability reflecting such "pre-levies" would be reported under this item as "Deferred Revenue-Debenture Levies in Advance of Maturity". Also include here other prepaid or deferred revenues as well as the unexpended balance **Other Liabilities**

of levies against "special areas" of the municipality; the latter may arise from the fact that certain services such as garbage, sewerage, police or fire protection, etc., are provided only in limited areas of the municipality, and the costs or expenditures are kept separate and levied against the specific area benefited. The levies in such instances very rarely, if ever, exactly equal the expenditures so that there is usually a balance carried over from year to year. Credit balances on account of such levies would thus be shown here; and debit balances shown under the corresponding item 14 of the assets.

Reserves for :

13. These comprise those reserves for which no assets have been specifically earmarked.

Undetermined Losses on Assets

The balance of amounts provided as reserves against losses in realizing revenue fund assets, such as Reserves for Uncollectible Accounts Receivable, Uncollected Taxes Receivable, and Reserve for Property Acquired for Taxes, each of which should be kept separate and deducted from the relative assets to which they apply as indicated in the balance sheet. [It will be noted that the reserve against taxes receivable is shown in two parts — *reserve for uncollectible taxes* and *reserve for interest on taxes receivable* — to conform with the segregation of taxes (principal) outstanding from interest or penalties thereon.] Any other such reserves should also be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet.

In Ontario, some municipalities may have a *reserve for uncollected taxes.* This differs from a reserve for uncollectible taxes, in that it is based on the amount of taxes, which although collectible, may not be collected during the year in which levied. It is thus, in effect, a "financing" reserve, and should be kept separate from others relating to taxes receivable.

Contingencies

The balance of amounts provided as reserves against undetermined liabilities, such as for damages arising out of court action. Each such reserve should be specified.

Future Expenditures

The balance of amounts provided as reserves for the replacement or acquisition of fixed assets, or for the provision of services, expenditures for which will be made at a future date. Each such reserve should be specified.

Reserves for liabilities for services rendered, but for which invoices or accounts have not been received, should not be shown here, but as liabilities in the item to which the expenditure would properly be classified.

Reserve Funds

These comprise those reserves for which specific assets, usually a fund of cash and/or securities, have been set aside for use for undetermined purposes, usually for future expenditures as above. In such cases the assets, as well as the reserves, should be separately identified in the balance sheet, and the two will be in balance.

14. Amounts due and owing on account of borrowings for revenue fund purposes, or for services provided, including the use of materials, supplies or equipment, as well as for other purposes, such as amounts due to sinking fund on account of annual sinking fund requirements, to: *Capital and Loan Funds, Sinking Fund, Trust and Agency Funds, and Reserve Funds.* Also include here amounts due and owing, including levies as above, to municipal activities for which separate balance sheets would be prepared as a result of independent accounting records being maintained, such as to hospitals, libraries, parks, etc., whether or not these activites are administered by an independent board or commission. Amounts due to Utilities and Other Municipal Enterprises are not to be shown here, but rather in item 9. Amounts due to Special Districts should be shown under item 10. **Due to Other Funds**

The names of the funds and local activites, and amounts owing should be shown separately in the balance sheet; and care should be taken to see that the assets of the contra balance sheets are in agreement with the amounts shown here.

15. The amount by which the assets of the revenue fund (general section) exceed the liabilities and reserves. **Surplus**

FORM 9

REVENUE FUND SURPLUS (DEFICIT) ACCOUNT

(General Section)

REVENUE FUND SURPLUS (DEFICIT) ACCOUNT
(General Section)

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT IX

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year.....	$.....	$.....	
2. Surplus or Deficit included in Current Budget—Transferred to Revenue and Expenditure Account, Exhibit X.....	.....	.....	$.....
3. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
4. Balance after Above Adjustments			$.....
5. Others Transaction Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
6. Surplus or Deficit for Year Under Review—Brought Forward from Revenue and Expenditure Account, Exhibit X.....	.....	.....	
7. Amount of Unemployment Relief to be Funded.....		.....	
8. Balance of Surplus or Deficit at End of Year—Carried Forward to Revenue Fund Balance Sheet, Exhibit VIII	.....	.....	$.....
9. Totals of Debit and Credit Columns.....	$.....	$.....	

REVENUE FUND SURPLUS (DEFICIT) ACCOUNT

(General Section)

The purpose of this statement is to show the changes during the fiscal year in the revenue fund surplus (or deficit); thus it actually represents an analysis, in condensed form, of the general ledger account.

1. The balance of the account at the beginning of the year, the amount of which would be shown in *either* the debit or credit column, as the case may be.

2. The portion of the surplus or deficit from previous years actually taken into the current year's budget, which would be shown either as a debit or credit, respectively, as the case may be. The amount shown here should agree with that shown under items 12 or 16 of the revenues or expenditures, respectively, in Exhibit X (Form 10 on page 57).

Also, opposite this item extend the balance of the account.

3. Adjustments directly affecting operations of previous years are to be shown under this item. Such may arise from underestimating or overestimating accounts receivable or payable in setting them up at the close of the year or from failure to provide for certain outstanding accounts or other unpaid commitments. Only the net result of entries of a similar character should be shown; thus if there were two adjustments relating to accounts receivable, one arising from underestimating the amount (a credit to the account) and the other arising from overestimating the amount (a debit to the account), only the net difference between the two should be shown. The same treatment should be accorded other adjusting entries or transactions relating to operations of previous years.

4. Extend the balance of the account after giving effect to the adjustments shown under item 3.

5. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to current budget, which should be summarized according to character and *only the net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts, profits or losses on sale of property acquired for taxes, transfers to or from sinking fund (if such is permitted by law), inventory write-offs or adjustments and other write-offs or adjustments relating to balance sheet accounts.

6. The Surplus (credit) or Deficit (debit) for the current fiscal year. The amount shown here should agree with either item 18 of the expenditure section or item 14 of the revenue

section, respectively, as shown in Exhibit X (Form 10 on page 57).

7. The amount of the adjustment (credit) to set up the deferred charge in respect of any unemployment relief expenditures for the current fiscal year which are to be funded. In other words, revenues and expenditures in respect of unemployment relief are to be reported "gross" in the Revenue and Expenditure Account, so that the entry setting up the deferred charge at the close of the year would be credited to surplus account.

8. The balance of the account at the close of the year should be extended opposite this item; and in addition entered in either the debit or credit column as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 16 of the assets or item 15 of the liabilities, as the case may be, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

FORM 10

REVENUE AND EXPENDITURE ACCOUNT

(General Section)

Form 10

REVENUE AND EXPENDITURE ACCOUNT

(General Section)

For the Fiscal Year ended..... .....19...
(Day) (Month)

REVENUE

1. Taxation:				
11. Municipal Purposes (Excluding School Taxes)—				
111. General Taxation:				
1111. Real Property:				
11111. Land	$.....			
11112. Improvements (Buildings, Etc.)	.....			
1112. Personal Property	.....			
1113. Business	.....			
1114. Income	.....			
1115. Poll	.....			
1116. Amusement (Municipality's Share)	.....			
1117. Sales	.....			
1118. Household and Tenant	.....			
1119. Other: (Specify)	.....			
	Sub-Total	$.....		
112. Special Assessments (Owners' Share) and Charges:				
1121. Local Improvements	$.....			
1122. Other Special Charges: (Specify)	.....			
	Sub-Total	.....		
		Sub-Total	$.....	
12. School Purposes—				
121. Elementary—Public, Continuation and Separate School	$.....			
122. Secondary—High School and Collegiate	.....			
123. Technical or Vocational School	.....			
124. Other: (Specify)	.....			
	Sub-Total	.....		
		Sub-Total	$.....	
2. Licences and Permits:				
21. Professional and Business	$.....			
22. Other: (Specify)	.....			
	Sub-Total	.....		
3. Rents, Concessions and Franchises			.....	
4. Fines			.....	
5. Interest, Tax Penalties, Etc.			.....	
6. Service Charges			.....	
7. Recreation and Community Services:			.....	
71. Recreation Services	$.....			
72. Community Services	.....			
	Sub-Total	.....		
8. Contributions, Grants and Subsidies:				
81. Governments:				
811. Dominion	$.....			
812. Provincial	.....			
813. Other Municipal	.....			
	Sub-Total	$.....		
82. Governmental Enterprises:				
821. Dominion	$.....			
822. Provincial	.....			
823. Own Municipal	.....			
824. Other Municipal	.....			
	Sub-Total	.....		
83. Other Contributions, Grants and Subsidies:				
831. Sinking Fund Excess Earnings	$.....			
832. Other: (Specify)	.....			
	Sub-Total	.....		
		Sub-Total	.....	
9. Debenture Debt Charges Recoverable: Schedule 10			.....	
10. Miscellaneous (N.O.P.):(Specify)			.....	
11. Total Revenue				$.....
12. Surplus from Previous Years (If Used)—Transferred from Surplus (Deficit) Account—Exhibit IX				.....
13. Total				$.....
14. Deficit for Year (Excess of Expenditure over Revenue)—Carried forward to Surplus (Deficit) Account—Exhibit IX				.....
15. Grand Total Revenue Section				$.....

REVENUE AND EXPENDITURE ACCOUNT

(General Section)

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT X

EXPENDITURE

1. General Government:		
11. Executive and Legislative	$.....	
12. Administrative	.....	
13. Other General Government Expenditures	.....	
	Sub-Total	$.....
2. Protection to Persons and Property:		
21. Fire Protection	$.....	
22. Police Protection	.....	
23. Law Enforcement	.....	
24. Corrections	.....	
25. Protective Inspections	.....	
26. Street Lighting	.....	
27. Destruction of Pests	.....	
28. Other Protection: (Specify)	.....	
	Sub-Total	.....
3. Public Works		.....
4. Sanitation and Waste Removal		.....
5. Health:		
51. General	$.....	
52. Public Health	.....	
53. Medical, Dental and Allied Services	.....	
54. Hospital Care	.....	
	Sub-Total	.....
6. Social Welfare:		
61. Aid to Aged Persons	$.....	
62. Aid to Blind Persons	.....	
63. Aid to Unemployed Employables	.....	
64. Aid to Unemployables	.....	
65. Mothers' Allowances	.....	
66. Child Welfare	.....	
67. Other	.....	
	Sub-Total	.....
7. Education:		
71. Elementary:		
711. Public School	$.....	
712. Continuation School	.....	
713. Separate School	.....	
72. Secondary—High School and Collegiate	.....	
73. Technical or Vocational School	.....	
74. Other: (Specify)	.....	
	Sub-Total	.....
8. Recreation and Community Services:		
81. Recreation Services	$.....	
82. Community Services	.....	
	Sub-Total	.....
9. Debt Charges:		
91. Debenture Debt Charges: Schedule 11	$.....	
92. Interest (Long-Term Borrowings only)	.....	
93. Temporary Debt Charges	.....	
94. Other Debt Charges: (Specify)	.....	
	Sub-Total	.....
10. Utilities and Other Municipal Enterprises (Deficits and Levies)		.....
11. Provision for Reserves:		
111. Undetermined Losses on Assets	$.....	
112. Contingencies	.....	
113. Future Expenditures	.....	
	Sub-Total	.....
12. Capital Expenditures Provided out of Revenue: Schedule 12		.....
13. Joint or Special Expenditures (N.O.P.): (Specify)		.....
14. Miscellaneous: (Specify)		.....
15. Total Expenditure		$.....
16. Deficit from Previous Years (If Any)—Transferred from Surplus (Deficit) Account—Exhibit IX		.....
17. Total		$.....
18. Surplus for Year (Excess of Revenue over Expenditure)—Carried forward to Surplus (Deficit) Account—Exhibit IX		.....
19. Grand Total Expenditure Section		$.....

REVENUE AND EXPENDITURE ACCOUNT

(General Section)

This statement should not be confused with a statement of "receipts and payments (or disbursements)" which is merely a summary of cash received and paid out during a given period. A statement of revenue and expenditure includes all revenues for or applicable to a given period (whether or not actually received in cash) and only those expenditures incurred in earning that revenue or which are to be paid out of same (whether or not actually paid for in cash). Thus the revenues of a municipality for any one year consist of the amounts received or receivable from the imposition of taxes, rates or other charges and from miscellaneous sources; and expenditures for any one year consist of the amounts paid or to be paid in respect of the cost of services to be met out of or by the aforementioned taxes, rates and other revenue from miscellaneous sources. Assets or liabilities of previous years which may be included in the current year's budget are *not* revenues or expenditures but represent "surplus" or "deficit" provided for and should be reported accordingly in the revenue and expenditure statement.

Normally, all revenues and expenditures are to be shown gross; exceptions to this rule infrequently occur, however, and in such cases specific reference is made herein to the contrary.

It should be noted that this is only a summarized or condensed statement of revenues and expenditures. The detail to be included in each of the principal items is, however, referred to in the following explanations.

REVENUE

Taxation

1. It will be noted from the explanations which follow, subject to the exceptions dealt with in Appendix "A" as referred to in the third following paragraph, that taxation revenue is to include not only the total of taxes imposed or levied on the basis of assessed valuations of real and personal property and income, which amounts generally constitute the total of the yearly tax roll, but also other forms or types of taxes which are based on factors other than assessed valuations and which may or may not form part of the yearly tax roll. For instance, real property, personal property, business and income taxes are taxes based on assessed valuations and form part of the yearly tax roll; household and/or tenant taxes, often based on assessed valuations, but sometimes on rental values, usually form part of the yearly tax roll; poll taxes, which are usually based on capitation, may or may not form part of the tax roll.

These, together with amusement, sales, and some minor taxes, which do not appear on the tax roll, constitute *General Taxation.*

Levies for *Local Improvements—Property Owners' Share* (also known in some provinces as "special assessments") are usually placed on the tax roll whether based on assessed valuations of specified properties, *frontage, area, unit charge,* or on some other factor. These, together with various other charges, such as for garbage collection, sewers (other than local improvements), snow removal, street flushing, oiling and watering, and others of similar nature, are classed in a second section of *Taxation* known as *Special Assessments* (Owners' Share) and *Charges.* In some provinces, notably Alberta, some of these special charges are officially described as "frontage taxes". In reporting under this heading, however, such should be shown according to the purposes for which the so-called "frontage taxes" are levied.

Special Taxes for Provincial Governments, Etc.

Certain special forms or types of taxes are levied by many local municipalities which are also based mostly on assessed valuations but sometimes on other factors and yet such do not represent taxation revenue for either municipal or school purposes from the standpoint of the local municipality. These are dealt with separately in Appendix "A", page 193, to which reference should be made at this time in order to properly determine the disposition of the total taxes either generally or specially rated in any one year.

While other charges may appear on the yearly tax roll, such are generally placed thereon for collection and would be credited direct to accounts receivable or to liability accounts or reported under other revenue accounts and would not form part of taxation revenue. An illustration of the foregoing would be: charges for weed cutting on private property — a credit to accounts receivable; utility rates arrears placed on the roll for collection—a credit to the utility account; dog taxes or licence fees—a credit to licences and permits (item 2); areaway charges or encroachment privilege fees—also a credit to licences and permits (item 2).

When privately owned business enterprises which are liable for taxation in the ordinary way, but pay instead a tax based on a fixed assessment, or at a fixed rate on the actual assessment, or a fixed tax, such amounts payable are to be classified under "General Taxation"—real or personal property, or business, according to the assessment. Where such an apportionment is not possible, as where a fixed tax or a tax based on a fixed assessment is paid, the total amount of the tax should be considered as "real property". Similarly, where the tax is based on factors other than assessed value, such as gross receipts or sales, the amount payable would be considered as "real property tax".

Additional amounts paid by private businesses or enterprises would be in the nature of franchises or contributions, and should be appropriately classified under "Rents, Concessions and Franchises" or "Contributions, Grants and Subsidies", items 3 and 8 respectively.

If publicly owned utilities and other types of government enterprises are taxable in the same way as privately owned business enterprises, the amounts receivable should be classified in the manner specified above. However, amounts receivable from publicly owned utilities and other types of government enterprises which are exempt from taxation shall be considered as contributions, and classified under "Contributions, Grants and Subsidies", item 8.

Subject to the foregoing the total tax levy should be segregated as between taxes levied for *municipal purposes* and taxes levied for and on behalf of *local school authorities.* Rebates, remissions or write-offs of taxes levied for the current year should be applied against the original charge and only the *net* amount included as taxation revenue; this applies also to direct charges, such as for local improvements or water frontage rates, against properties owned by the municipality, so that only the *net charges* to private property owners are shown as a revenue. (Discounts on taxes, either for prompt payment or prepayment are, however, *not* to be treated in like manner but should be shown as an expenditure under item 14.)

Municipal Purposes

Taxation for municipal purposes should be further apportioned according to the basis of the tax as follows:

General Taxation

Real Property—The portion of the total taxes imposed or levied upon the assessed valuation of land and buildings or other improvements on or to the land, but not including *Property Owners' Share of Local Improvements* referred to in paragraph 1 on page 62.

Personal Property—The portion of the total taxes imposed or levied upon the assessed valuation of personal property such as stock-in-trade, movable machinery and tools, livestock, furniture and fixtures, personal and other household effects and other chattels; but not including income.

Business — The portion of the total taxes imposed or levied upon the assessed valuation of business enterprises, including professional, commercial, industrial, etc. It should be noted that such business assessed valuation may be based either upon the assessed valuation or the rental value of the property concerned, on the area or storage capacity of the premises occupied or on gross turnover.

In some Manitoba municipalities, in addition to regular business taxes on the usual percentage basis, there are business fees on a straight fee basis. Since these are included in the tax roll, and are treated in all respects as taxes, they should be included in the tax revenue of the municipality under this item.

Care should be taken that business licences are classified under item 2.

Income—The portion of the total taxes imposed or levied upon the assessed valuation of income, including that of individuals as well as professional, commercial, industrial and other business enterprises. This applies to those municipalities which in their own right impose an income tax in addition to that which may be imposed by either or both the Dominion and Provincial Governments.

Poll—A capitation or head tax imposed by municipalities in some provinces usually against male inhabitants only within certain prescribed limitations, but sometimes including females. All such taxes based on this factor should be included here, regardless of their purpose, such as poll tax for hospitalization, for school, or for library purposes.

Amusement (Municipality's Share) — A tax imposed on admissions to certain prescribed forms of amusement. In the Province of Saskatchewan some municipalities levy such a tax direct. In the Province of Quebec, the tax is imposed by provincial statute but collected by the municipalities, part retained by them and the remainder paid over to the Province. Only the municipality's share of such tax revenue is to be shown here.

Sales—The revenue derived from the imposition of a tax on sales of goods or commodities, whether collected directly by the municipality, or by the province on behalf of the municipality.

Household and/or Tenant—The revenue derived from the imposition of any special tax or rate against householders (owners or tenants); it may be based on a percentage of the assessed valuation and applicable to all householders or based on the rental value and applicable only to tenants.

Other—Revenues from the imposition of special forms or types of taxes other than those specifically provided for, the exact nature of which should be clearly indicated in the revenue statement, such as *Timber* taxes in Alberta.

Include under this heading of "General Taxation" and distribute according to the basis of the tax, as noted above, the following:

Nova Scotia—

District or Special Area Rates.
Village Commissioner's Rates.
Poor District Rates.

Ontario—

Police Village and Special Area Rates or Levies.

MANITOBA—
Village District Committee Rates or Levies.

BRITISH COLUMBIA—
Special Area Rates or Levies.

These rates are levied to provide certain general municipal services which are rendered to limited or defined areas of the municipality on the basis of a general mill rate against such area. They should therefore not be confused with the special charges referred to in the next item, which are a direct charge against specific properties.

Special Assessments (Owners' Share) and Charges

Local Improvements (Owners' Share)—The total direct charges against those properties benefiting from improvements. This does not include that portion of the cost of local improvements which is paid out of general taxation, real property or other. Such charges may sometimes be paid by the occupant or tenant of the property. (In some provinces these are known as "special assessments".) Usually this applies to the owners' share of the annual debt charges (principal, or sinking fund instalment and interest) on debentures issued by the municipality for local improvements. However, in some instances, these levies are made against owners for local improvements which cover both the capital cost and an allowance for annual maintenance. Also include, in Ontario, levies under the Tile Drainage Act for debentures as well as levies for either debentures or maintenance under the Municipal Drainage Act.

Other Special Charges—Amounts charged annually against specific properties, or placed on the tax roll for collection, for provision of special services such as garbage removal, sewers (other than construction as local improvements), snow removal, street flushing, oiling and watering, and others, regardless of the basis of the charge, which may be frontage, service provided, annual rate, rental based on water consumption, or one of various others in use. *Do not include here* special area rates or levies as referred to above under General Taxation (q.v.).

School Purposes

Taxes levied for elementary, secondary, and technical or vocational schools should be shown separately wherever such a division of educational activities is maintained. This applies only to those municipalities which levy and collect school taxes for and on behalf of local school authorities; tax revenue levied and collected by school authorities direct is *not* to be included.

Do not include as taxation revenue for school purposes amounts provided by the municipality for tuition fees, grants payable to school authorities such as township school grants in Ontario, amounts provided for educational purposes by counties in New Brunswick and Ontario, and amounts provided by cities, towns and municipalities (rural) in Nova

Scotia for the Municipal School Fund; these are municipal contributions towards the support of educational institutions and as such should be included in the *municipal* levy.

Licences and Permits

2. Revenue derived from licensing *Professional and Business* activities should be shown separately from *Other* licence or permit revenue.

Professional licences are those applying to individuals or firms engaged in specialized professional activities, trades or occupations; these would include accountants or auditors, auctioneers, brokers and agents, contractors, elevator operators, engineers, lawyers, motion picture operators, photographers and photographic studios, repairmen and skilled craftsmen as well as carpenters, lathers, masons, plasterers, plumbers and other skilled labourers.

Business licences are those applying to manufacturers, wholesalers, retailers, shopkeepers or storekeepers and other merchandising concerns, which may be further classified as follows:

Beverage Licences
Alcoholic or
Non-alcoholic

Health Licences
Barber Shops
Bath Houses
Bakeries
Butchers or Meat Dealers
Dairies or Milk Dealers
Grocery Stores
Hotels
Hospitals
Restaurants
Etc.

Manufacturing Licences
Abattoirs
Meat Packers
Etc.

Merchandising Licences
Chain, Clothing, Department and Drygoods Stores
Manufacturers' Agents or Commission Merchants
Newsdealers
Etc.

Protective Licences
Garages
Gas Stations
Parking Lots
Pawn Shops
Pedlars and Vendors
Second Hand Stores or Junk Dealers
Explosives or Firearms (but not the use thereof)
Etc.

In most instances businesses are licensed primarily for regulation with the revenue incidental to the regulation but in some provinces they are licensed primarily for revenue (in lieu of business tax as referred to under item 1 above) with the regulation incidental thereto. Irrespective of the foregoing, the revenue derived from all such business licences should be included here.

Other licences or permits would include, in addition to any miscellaneous revenue therefrom not specifically referred to:

Amusement—Licences issued for places of amusement or for amusement activities or events, such as,—amusement

or athletic parks, circuses, dance halls, golf courses, pool and billiard rooms, carnivals or street fairs, theatres and halls, or other places in which games or other amusements may be held.

Vehicles—Licences issued for motor vehicles, bicycles, wagons, carriages.

Animals—Licences or tags issued in respect of dogs, cats or other animals. In some instances the licensing of dogs is referred to as "dog tax" but notwithstanding such a categorical or statutory reference, the revenue derived therefrom should be included here.

Building Permits—Structural permits covering buildings or additions thereto as well as plumbing and wiring permits, etc.

Billboard, blasting, excavating or wrecking privileges, permits for *overhanging signs, stands, platforms,* and *other street privileges.*

Parking Meter Fees—Total collections where municipality owns meters, or municipality's share where collections are made by the company which installed the meters.

Also include in this category revenue from building encroachments or areaway charges, which may or may not be imposed or collected through the medium of the tax roll.

NOTE: Usually a document called a licence or permit is isssued as evidence of permission being granted to carry on the business or exercise any of the privileges for which the fee is paid, but the fact that this may not be done should not alter the classification or reporting of such revenues according to the above.

3. *Sundry Rentals*—Revenue derived from the private occupancy or use of municipally-owned property such as for rent of office or store space in civic buildings, rentals from property acquired for taxes (vacant or built upon) or from other properties (land or buildings) which are not required for the uses of the corporation. Also include here rentals of equipment. **Rents, Concessions and Franchises**

Concessions and Privileges—Revenue derived from the granting of concessions or privileges to private persons in connection with municipal functions or activities, including such as from garbage collection when the service is performed privately by contract or public tender, and from concessions for private fairs, circuses, etc.

Franchises—Revenue derived from the granting of franchises, such as for transportation, electric light and power, gas, central heating or other facilities, to privately owned utilities. The term "franchise" refers to a particular privilege or right granted by a municipality, under an agreement, to an individual or company, to the exclusion of others,

such as for the use of streets or other public property. Any revenues of this nature should be included here.

It sometimes happens, however, that included in the agreement regarding the franchise are provisions whereby the enterprise concerned has to make additional payments to the municipality over and above the specific amount agreed upon with respect to the franchise. In as much as it is considered that any special amounts payable by private businesses or enterprises in addition to ordinary taxes or rates, under the terms of a franchise agreement, are more or less tied in with and part of the granting of the franchise, such should also be classified as "franchise" revenue. Such additional amounts as are *not* tied in with or part of the franchise agreement should be classified as "contributions" under item 8.

Revenues accruing to the municipality under the circumstances just outlined should be clearly identifiable as such separate and distinct from other types of revenue, e.g., taxes or contributions, which should be classified accordingly.

Fines

4. This item would include, in addition to any miscellaneous revenue therefrom not specifically referred to:

Court Fines and Fees—Revenue derived from fines and penalties, including costs, imposed for infractions of statutes or local by-laws, the administration of which falls within the jurisdiction of the courts. Traffic or other fines even though paid without the formality of a court should be included here, as well as forfeited bail.

Other Fines and Fees—Revenue from fines or fees imposed by the municipality or department thereof, other than the judiciary, such as for the impounding of animals or infraction of park regulations. Also include public library fines when the library is not operated by a board.

Interest, Tax Penalties, etc.

5. This item would include, in addition to any miscellaneous revenue therefrom not specifically referred to:

Interest Earnings on Bank Deposits.

Interest Earnings on Investments.—Interest on securities in which revenue funds are invested temporarily, unless the securities are held in respect of a special reserve fund which, by statute, is to include interest earnings on the investments.

Interest on Redemption of Tax Sale Properties Including Penalties—Penalties, if any, accruing to the municipality, as a result of the redemption of properties acquired for taxes.

Interest or Penalties on Taxes—Revenue arising from the imposition of interest or penalties on taxes levied by the municipality, which would include those specifically re-

quired to be added by statute as well as others that may be added by by-law of the municipality.

Interest on Advances—By revenue fund to local boards, commissions or other funds of the corporation, as well as any amounts accruing to the revenue fund as a result of prorata or other distribution of investment earnings of other funds.

Premium (or amount amortized) on Municipal Debenture Sales—The amount by which the selling price of debentures exceeds the face value where such may be taken into revenue. If amortized, the amount taken into revenue annually over the lifetime of the debentures.

Discounts (or amount amortized) or Profit on Sale of Securities Purchased as Investments—Revenue arising from the purchase of securities as investments at a discount, and their entry as an asset at par value, or from the sale of securities held as investments at a price higher than the valuation thereof in the balance sheet.

Exchange—Profit arising from the repayment of foreign loans at a more favorable exchange rate than that under which the debt was incurred; also include exchange on foreign currency.

6. This item would include, in addition to any miscellaneous revenue therefrom not specifically referred to: **Service Charges**

Commissions on Collections—Commissions, fees or deductions from amounts collected by the municipality for or on behalf of individuals, firms or corporations and other governments.

Certificates and Search Fees—Revenues derived from fees for issuing tax or other certificates as well as search fees such as for providing information from assessment or tax rolls.

Net Revenue for Work Done for Individuals or Corporations—In many instances the municipality does certain work for private individuals or corporations such as the laying of sidewalks, sewer connections or driveways. Only the net profit or revenue (i.e., after deducting all charges or costs incidental thereto) on any such work is to be shown.

7. This item would include: **Recreation and Community Services**

Community Centres and Halls, Municipal Golf Courses, Swimming Pools, Beaches and Baths, Amusement Parks and Playgrounds, Skating Rinks and Arenas (***Recreational Services***).

Amusement parks and playgrounds should not be confused with parks, public squares or similar ornamental areas which are primarily established and maintained for the beauti-

fication of the municipality. The term amusement parks in this instance has the same meaning as playgrounds in that both refer principally to outdoor play or recreational areas in which participation is the primary consideration.

Exhibitions and Fairs, Parks, Tourist Camps, Markets, Weigh Scales (***Community Services***).

Include only revenue accruing to the municipality from such services or activities when they are administered by a more or less independent, or quasi-independent board, commission or agency and/or their operations are accounted for separately from general fund account, or when the operation is let to a private party or organization by tender, contract or agreement, or for a percentage of gross or net income.

Thus, where these services or activities are administered directly by council, revenues derived from their operation would not be included hereunder, but would be classified according to the nature thereof in terms of the general revenue classification, (i.e., under the other items of this account). Membership dues and admissions should then be shown under item 10, Miscellaneous as a separate sub-item.

Contributions, Grants and Subsidies

8. Contributions, grants and subsidies accrue to a municipality usually through the action of the contributor rather than of the municipality. Care should be taken that revenues arising from payments in lieu of taxes are classified under taxation in all cases where the municipality has a right to tax and that only those revenues are shown here which are received from publicly owned utilities and other types of government enterprises which normally are exempt from taxation. Revenues arising out of the terms of a franchise agreement should be classified under Rents, Concessions and Franchises, item 3.

Governments—Dominion Government grants or subsidies may be made in lieu of taxes. Such nevertheless should be classified herein, and not under taxation. Include also other Dominion grants and subsidies, but not those to hospitals.

Provincial Government grants would include municipal subsidies for general and specific purposes, such as fire, police, children's aid grants, health grants, and other special grants; and any grant-in-aid, subsidy or contribution towards the gross current expenditures for unemployment relief.

Grants from other municipalities would include those payable by counties to local municipalities in Ontario, also amounts received or receivable for services rendered directly by one municipality to another, such as fees or charges for attending fires in adjacent municipalities and sewer rentals from other municipalities.

NOTE: Do not include here government grants for hospitals or schools; these should be shown as revenues of the respective activities for which separate statements of revenue (or income) and expenditure are reported.

Government Enterprises—To include contributions from government enterprises which are not taxed or taxable in the ordinary course of events.

Dominion Government Enterprises such as Wartime Housing, Bank of Canada, Canadian Broadcasting Corporation, Trans-Canada Air Lines, Canadian National Railways, National Harbours Board, Canadian Arsenals, etc., also may make payments in lieu of taxes which would properly be classified here.

Payments in lieu of taxes by Provincial Government Enterprises such as utilities, liquor boards, and industries should be included here.

Utilities and other municipal enterprises owned by the municipality itself may contribute to municipal revenues through transfer of surplus funds of either the current or previous years to the revenue fund account of the municipality. Any such amounts included here should agree with the relative amounts shown under item 6 of Exhibit (s) XIX(*) (Form 17 on page 125) under item 6 of Exhibits XXII and XXV (Forms 20 and 23 on pages 143 and 159 respectively) and similar items in the Surplus (Deficit) Accounts of any other municipal enterprises. Also include here any amounts received or receivable from utilities and other municipal enterprises, under agreement or otherwise, in lieu of taxes, where no tax is levied because of tax exemption, or any such payment over and above the tax levied. This situation arises from the fact that in some provinces the property of utilities and other municipal enterprises is wholly or partially exempt from taxation and voluntary contributions are made by the authorities to the general revenues of the muncipality. Rebates on account of street lighting or for power charges in that connection, in excess of cost, which are received from the electric light and power utility should be shown here.

Utilities and other municipal enterprises of other municipalities may similarly make grants-in-lieu-of-taxes on account of non-taxable properties owned by them within the municipality reporting.

Other Contributions, Grants and Subsidies—Include here revenues from private businesses or enterprises over and above (in addition to) ordinary *Taxation* and *Rents, Concessions* and *Franchises.* These sometimes occur in municipalities which are largely dependent on a single large industry, such as mining.

Also include under a separate sub-heading any *Sinking Fund excess earnings* which are actually transferred (with authority) to revenue account.

Debenture Debt Charges Recoverable

9. For the most part, these recoverables would consist principally of amounts equivalent to the annual debt charges (principal or sinking fund instalments and interest) on deben-

tures issued by the municipality for or on behalf of utilities, or other municipal enterprises such as housing or cemeteries. They also include, however, amounts recoverable from other municipalities for debt charges on debentures assumed, as well as amounts recoverable from private individuals, firms or corporations for debt charges on debentures issued by the municipality for or on their behalf.

The full amount of the debt charges on debentures issued for or on behalf of utilities and other municipal enterprises should be shown here as a recoverable whether or not the operation and management thereof are under the juridiction of a local board or commission or under the direct jurisdiction of council; also this same procedure should be followed whether or not the debt charges are provided, wholly or in part, out of the rates or other income of the enterprise. In other words, the municipality may provide for the debt charges, wholly or in part, through taxation (either by general or special area rate, or by direct charge such as for local improvements) or the debt charges may be met in full out of the rates charged to customers for the service or facilities provided; but notwithstanding which of these methods is followed, the full amount of the debt charges should be shown here as a recoverable. Under the former circumstance this statement would show, in addition to the full amount of the debt charges, both as an expenditure under item 9 and as a revenue under this item, an expenditure under item 10 for the amount included in the tax levy on account of such debt charges. For further explanation of this procedure reference should also be made at this time to the explanations on page 87 relating to item 9 of the expenditures and to the explanations on pages 134 and 135 relating to items 3 of the income and 10 of the expenditures, respectively, for a Water Supply System.

Do not include here grants or contributions from the provincial or other governments in respect of debentures issued by the municipality for school purposes; such amounts should be credited direct to the account of the local school authority, even though paid to the municipal corporation, and shown as a debenture grant or recoverable in the school revenue and expenditure statement.

Detail of this item is shown in Schedule 10 (Form 38 on page 185).

Miscellaneous, N.O.P.

10. Include here revenues from sundry sources not otherwise provided for in the statement. Care should be exercised, however, to see that only those which cannot properly be classified under any of the other items are included.

11. The total revenue for the current fiscal year (items 1 to 10 inclusive).

Surplus from Previous Years (If used)

12. The portion of the revenue fund surplus from previous years actually taken into the current year's budget. Assets of previous years included in the current year's budget repre-

sent a *surplus* and should be shown here accordingly. The amount of this item should agree with the relative amount shown under item 2 of Exhibit IX (Form 9 on page 53).

13. The total of items 11 and 12.

14. The amount by which item 17 of the expenditures exceeds item 13 above. **Deficit for Year**

15. The total of items 13 and 14.

EXPENDITURE

1. Expenditures which cannot properly be classified under items 2 to 14 inclusive, which should be further segregated as follows: **General Government**

Executive and Legislative, which would include the office of:

Mayor, Reeve or Warden—Salaries, honorariums, fees or other remuneration, including mileage allowances, of the Mayor, Reeve or Warden and of the secretarial and other staff, as well as stationery, supplies and other general expenses incurred directly in connection with the office or position of head of the municipality.

Controllers—Salaries, honorariums, fees or other remuneration of members of the Board of Control (exclusive of the mayor) and of the secretarial and other staff, as well as stationery, supplies and other general expenses incurred directly in connection with the office or position of controller of the municipality.

Aldermen or Councillors—Salaries, honorariums, fees or other remuneration, including mileage allowances, of members of council (other than the head or members of the board of control). If separate offices are provided for the individual or joint use of aldermen or councillors, any secretarial and other staff salaries, as well as stationery, supplies, and other general expenses in connection with such offices should also be included.

Administrative, which would include the offices of:

Commissioner, Manager or Comptroller—Salaries, honorariums, fees or other remuneration of the Commissioner of Finance, City or Town Manager, or Comptroller, the deputy (or assistant), and accountants, clerks, stenographers and other staff as well as stationery, supplies, and other general expenses incurred directly in connection with the administration of this office.

Clerk—Salaries, honorariums, fees or other remuneration of the Clerk, the Assistant Clerk, and clerks, stenographers and other staff as well as stationery, supplies, and other general expenses incurred directly in connection with the administration of this office.

Treasurer—Salaries, honorariums, fees or other remuneration of the Treasurer, the Assistant Treasurer, and accountants, cashiers, clerks, stenographers and other staff, as well as stationery, supplies, and other general expenses incurred directly in connection with the administration of this office.

Assessor—Salaries, honorariums, fees or other remuneration of the Assessment Commissioner or Assessor, the Assistant Assessor and subordinate assessors, clerks, stenographers and other staff as well as stationery, supplies, and other general expenses incurred directly in connection with the administration of this office.

Collector—Salaries, honorariums, fees or other remuneration of the Tax Collector (or equivalent official), the Assistant Tax Collector and subordinate collectors, accountants, cashiers, clerks, stenographers and other staff as well as stationery, supplies, and other general expenses incurred directly in connection with the administration of this office.

Auditor—If there is an "internal" auditor, all salaries or wages of the Auditor, the Assistant Auditor and audit clerks, stenographers and other staff as well as stationery, supplies, and other expenses incurred directly in connection with the administration of this office, would be included. If there is an "independent (or external)" auditor, the total fees or other remuneration, according to the auditing contract or agreement, would be included, as well as any fees for special work in addition thereto. In the latter instance general office expenses are frequently provided; these should also be included wherever this practice is followed.

Solicitor or Corporation Counsel—Salaries, honorariums, fees or other remuneration of the Solicitor, the Assistant Solicitor and clerks, stenographers and other staff as well as stationery, supplies, and other general expenses incurred directly in connection with the administration of this office; and where an outside solicitor is engaged on a retainer or fee basis, include amounts paid or payable for services rendered.

Purchasing Agent—Salaries, honorariums, fees or other remuneration of the head and other staff as well as stationery, supplies, and other general expenses of a Purchasing Department established separate and distinct from other administrative departments.

Sinking Fund Trustees—Salaries, honorariums, fees or other remuneration of members, and office staff, as well as stationery, supplies, and other general expenses of a "Board of Trustees" or "Trust Commission" established separate and apart from other administrative departments, principally to look after the management and operation of sinking funds. In some instances the trustees are also given jurisdiction over other functions, such as power of administration of municipal properties (rentals, maintenance and

sales, etc.); or jurisdiction over transactions relating to the funded debt of the municipality, (i.e., the payment of interest thereon and repayment of principal). The fact that any such additional duties are performed by the trustees should not alter the reporting of their expenses as outlined above, and all revenues and expenditures or other transactions incidental to or arising from the additional duties should be reported according to the exact nature or classification thereof as heretofore or hereafter defined and *not* considered as part of administrative expenses.

Other General Government Expenditures—Expenditures which are incidental to general governmental activities such as for:

Elections—General and special, including registrations, cost of printing voters' lists and ballots, rent of polling booths, remuneration to returning officers, deputies, poll clerks and other officials specially employed, as well as costs of judicial inquiries and recounts concerning elections.

Office Buildings—Maintenance and repairs, including salaries or wages of buildings employees as well as supplies, heat, light and power, water, insurance, etc. If the buildings are rented from private ownership, the rental charge should also be included.

NOTE: Expenditures of Police and Fire Departments or other service departments in this connection should not be included here but shown as expenditures of the respective departments concerned.

Conventions and Delegations—Travelling and other expenses of municipal representatives attending conferences or conventions.

Pensions—Municipal contributions to established pension or superannuation funds and gratuitous or compassionate allowances to former employees, but not including pensions or allowances paid out of pension or superannuation funds. Costs of administration of any such funds, if provided by the municipality, should be included above under *Administrative.*

Town Planning or Zoning—Remuneration and other expenses of persons, boards or commissions engaged in full or part-time employment in connection therewith.

Public Receptions—Entertainment of visiting officials and dignitaries, as well as banquets, receptions, etc., for local citizens or organizations.

General Accident and Damage Claims by the public, whether settled privately or through court proceedings. (Do not include injury claims of municipal employees which should be shown as an expenditure of the department in which employed.)

Maintenance of Property Acquired for Taxes—Insurance, repairs, water rates and other maintenance charges, but not including administrative salaries and other expenses of a *Property Department* which should be included above under *Administrative.*

Courts of Revision—Remuneration to members and other expenses in connection therewith.

NOTE: Unemployment Insurance Contributions should be distributed with the salaries and wages included under each expenditure item.

Protection to Persons and Property

2. Expenditures falling within this major classification should be carefully segregated according to departmental or principal functional activities as follows:

Fire Protection—Expenditures of the fire department or for fire-fighting activities which, in addition to any not specifically referred to, would include:

Administration—Salaries or wages of the Fire Chief, his immediate assistant(s) and clerks, stenographers and other staff, as well as stationery, supplies, and other general expenses incurred directly in connection with the supervision or administration of the department's activities.

Fire Fighting Force—Salaries or wages of district chiefs, inspectors, captains, lieutenants, sergeants, firemen and other personnel assigned to engine or truck service, fireboat service, salvage and rescue squads, as well as expenditures for a volunteer force; and in addition the costs of equipment and apparatus (including operation and maintenance), clothing, supplies, and other expenses incurred directly in connection with these services.

Fire Alarm System—Salaries or wages of personnel, costs of equipment (including operation and maintenance), supplies, and other expenses directly applicable to the fire alarm or other system of communication.

Fire Stations and Buildings—Maintenance and repairs, supplies, salaries or wages of attendants, and other expenses, including heat, light and power, water, insurance, etc. If the buildings are rented for the use of the fire department, the rental charge should also be included.

Water Cost and Hydrant Rental—In many instances the water utility imposes a charge to the municipality for water service based on the necessity of maintaining sufficient pressure in the system to provide the maximum requirements of water for fire-fighting purposes. Such a charge may be on a flat rate basis, or a fixed sum in approximate relationship to the volume of water used by the fire department in the course of attending fires, or it may be in the form of a hydrant rental at a fixed rate per hydrant. Charges of this nature properly represent part of the cost of the fire department and should be included accordingly.

Employers' Liability Insurance—Expenditures for insurance against claims or damage actions by employees of the fire department for injuries sustained in the course of their duties.

Auxiliary Services—Salaries or wages and other expenses in connection with medical services and training schools.

NOTE: Do not include municipal contributions to firemen's pension, superannuation or benefit funds, the expenditures for which should be shown under "Other General Government Expenditures" as referred to on page 75.

Police Protection—Expenditures of the police department or for policing activities, which, in addition to any not specifically referred to, would include the following:

Administration—Salaries or wages of the Police Chief or Commissioner, his immediate assistant(s) and clerks, stenographers, and other staff, as well as stationery, supplies, and other general expenses incurred in connection with the supervision or administration of the department's activities.

Protective Service—Salaries or wages of police inspectors, sergeants, constables and other personnel, as well as expenditures on equipment and vehicles (including operation and maintenance), clothing, supplies, and other expenses incurred directly in connection with general policing activities; and in addition, expenditures for salaries, wages, maintenance and operation of traffic lights and conduits in connection therewith.

Crime Investigation—Salaries or wages of the detective force, squad or bureau and criminal records branch, as well as costs of equipment (including operation and maintenance), clothing, supplies, and other expenses incurred directly in connection with criminal investigation activities.

Police Signal System—Salaries or wages of personnel, costs of equipment (including operation and maintenance), supplies, and other expenses directly applicable to the police signal and other communication systems, such as radio, telephone, teletype, signal lights and call boxes.

Police Stations and Buildings—Maintenance and repairs, supplies, salaries or wages of attendants, and other expenses, including heat, light and power, water, insurance, etc. If the buildings are rented for the use of the police department, the rental charge should also be included.

Employers' Liability Insurance—Expenditures for insurance against claims or damage actions by employees of the police department for injuries sustained in the course of their duties.

Detention and Custody of Prisoners—Meals and other expenses pending trial or prior to conviction.

Auxiliary Services—Salaries or wages and other expenses in connection with ambulance or medical services, patrol wagons, training schools and other similar activities.

NOTE: Do not include municipal contributions to policemen's pension, superannuation or benefit funds, the expenditures for which should be shown under "Other General Government Expenditures" as referred to on page 75.

Law Enforcement—Expenditures, which in addition to those not specifically mentioned or which are of an equivalent character, would include:

Police Commission—Salaries, fees or honorariums of members of the Police Commission (or Board of Police Commissioners) and the secretary, clerks, stenographers and other staff, as well as stationery, supplies, and other expenses in connection therewith.

Police and Recorders' Courts—Salaries, wages or honorariums of the police magistrate and other court officials (court clerk, court reporter, clerical and stenographic staff), general office and other court expenses, and the cost of maintenance and upkeep of any such court buildings.

Juvenile and Domestic Courts—Salaries, wages or honorariums of the presiding judge and other court officials (probation officers, clerical and stenographic staff), general office and other court expenses, and the cost of maintenance and upkeep of any such court buildings.

Division Courts—Salaries, wages or honorariums of the presiding judge or the junior or deputy judge and other court officials (bailiffs, clerical and stenographic staff), general office and other court expenses, and the cost of maintenance and upkeep of any such court buildings.

Prosecuting Attorney—Salaries, fees or honorariums of the Prosecuting or Crown Attorney, together with the salaries or wages of his staff and other general office expenses. If the position of prosecuting attorney is held by the city solicitor, his departmental expenditures should be divided as between the two services.

Coroners, Witnesses, Jurors and Interpreters—Fees and other expenditures in connection with Coroners' Inquests; witness fees payable by the municipality in court actions; fees and other expenditures in respect of persons performing jury duty, as well as those for the selection of jurors; and fees and other expenditures in connection with the engagement of persons to act as interpreters in court actions.

Joint Civil Justice or Criminal Justice Courts—The local municipality's share of the cost of any such courts, as in the case of payments to counties by cities and separated towns in Ontario for administration of justice.

Corrections—Maintenance and operating costs of Gaols, Industrial Farms, Detention Homes and other Corrective

Institutions which are maintained and operated by the municipality. Also include charges against the municipality for maintenance of inmates in similar institutions operated by other authorities.

Protection Inspection—Salaries, wages, stationery and supplies, and other general expenses in connection with the various inspection services maintained by the municipality, such as *Building and Structural*, *Plumbing*, *Electrical*, *Gas*, *Boiler*, *Elevator*, *Weights and Measures* and *Weed Inspection*; but *excluding* health inspection which should be included under item 5, Health.

Street Lighting—Maintenance and repairs to standards and fixtures as well as the cost of power, gas or other lighting medium for the illumination of streets, alleys, bridges and tunnels other than those located in parks for which the costs thereof are kept separate.

Destruction of Pests—Expenditures incurred in connection with the control and destruction of pests, such as *mosquitoes*, *grasshoppers*, *corn borers*, *gophers*, *rats*, *rabbits* and other rodents, *crows*, *weeds on streets*.

Other Protection—This would include such services as *Flood Control*, maintenance and operation of a *Public Morgue*, maintenance of *Railway Crossing Signals*, and protection to *Animals*. The latter would include salaries and other expenses of the dog catcher or humane officer, maintenance and operation of dog and other animal pounds, as well as grants or contributions to humane societies, and payments made under the provisions of sheep protection acts for sheep destroyed by dogs.

Share of Registry Office Expenses—Include here "Share of Registry Office Expenses" wherever applicable.

3. Expenditures relating to the use of streets or thoroughfares and structures and improvements in connection therewith. *Do not include* in this item expenditures for *garbage collection*, *street cleaning and flushing* or for *sewers*, all of which *are to be included under* item 4, Sanitation and Waste Removal. Public works would include the following: **Public Works**

Administration—Salaries or wages of the City Engineer, Commissioner of Works or Public Works Foreman, as the case may be, his immediate assistant(s) and clerks, stenographers and other staff as well as stationery, supplies, and other general expenses incurred directly in connection with the supervision or administration of the department's activities.

Streets and Roads, *Bridges*, *Viaducts*, *Subways and Tunnels*, including *Grade Crossing Eliminations* and *Sidewalks*—Salaries or wages of superintendents, foremen, subordinate engineers and other employees, as well as labour, material and supplies, costs of equipment (including operation and maintenance), and

other expenses in connection with maintaining and repairing streets and roads, etc.

Waterways—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance) and other expenses in connection with dredging, deepening, widening and straightening rivers, streams, lakes and waterways, other than those included in parks, or for flood control.

Snow and Ice Removal—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance), and other expenses in connection with snow and ice removal and for sanding streets, sidewalks and other thoroughfares.

Drainage—Salaries or wages of persons, material and supplies, cost of equipment (including operation and maintenance), and other expenses in connection with maintaining and repairing ditches, drains and wells established for the purpose of conserving moisture from surface drainage. Such drainage would be limited more or less to rural municipalities and the smaller urban communities but should not include expenditures for storm sewers which are included under item 4, Sanitation and Waste Removal.

NOTE: For the most part the foregoing represents the major activity groups of public works expenditure on the basis that all expenses incidental thereto are either charged direct or costed or apportioned according to the activities in respect of which the expenditures were incurred. While this procedure may be followed in the larger municipalties it is relatively impracticable to do so in the smaller ones. In this latter instance expenditures included above would consist principally of labour, material and supplies, whereas the expenditures which otherwise should be apportioned would be included in the following:

Workshops, Yards and Other Buildings—Salaries or wages of attendants, mechanics, storekeepers and maintenance and repairmen; building maintenance and repairs, heat, light, power and water and other expenses in connection with the operation of shops, supply depots, stockrooms, yards and other buildings for the storing of material, supplies, and equipment used in connection with public works activities.

Workmen's Compensation—Expenditures for sickness compensation or for insurance against claims or damage actions by public works employees for injuries sustained in the course of their duties.

General Equipment—Expenditures for the replacement of public works equipment such as automobiles and trucks, snow plows, wagons, road scrapers or graders, and other motorized or mechanical equipment. Also original purchases of small units should be included here but expenditures for the original acquisition of larger units should be included in item 12, Capital Expenditures Provided out of Revenue.

Small Tools and Equipment—Expenditures for hand or portable tools, implements and accessories which are of nominal value or short life and other small articles which are easily lost, misplaced or stolen.

Maintenance and Repairs to Equipment—Expenditures for repairs, gas, oil, grease and other maintenance costs of automobiles, trucks and other public works equipment.

Parking Meters—Expenditures for repairs and maintenance.

4. Expenditures relating to the collection or removal and disposal of sewage, street deposits and other waste, which would include the following: Sanitation and Waste Removal

Administration—Salaries or wages of the Commissioner, Director, Superintendent, Engineer or chief official in charge, his immediate assistant(s) and clerks, stenographers and other staff as well as stationery, supplies and other general expenses incurred directly in connection with the administration or supervision of sanitation activities. Also, this would include a proportionate share of Public Works Administration expenditures if one administrative head or department has jurisdiction over both public works and sanitation activities.

Sewer System—Salaries or wages of persons, materials and supplies, costs of equipment (including operation and maintenance) and other expenses in connection with maintaining, repairing and operating the sewer system, including; storm sewers and sanitary sewers, catch basins and manholes,also inspecting sewers, cleaning and flushing sewers and the operating of booster stations. Also include expenditures for share of repairs to private drains.

Sewage Treatment and Disposal—Salaries or wages of the plant superintendent or engineer and staff, as well as labour, material and supplies, and other expenses in connection with maintaining and operating plant and equipment used in connection with the treatment and disposal of sewage, including the reclamation of sludge areas.

Street Cleaning and Flushing—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance), and other expenses in connection with the removal of leaves, storm debris and other waste deposits from the streets. Also include expenditures for dust prevention, which may be accomplished by oiling or street sprinkling or by the application of calcium chloride.

Garbage and Waste Collection—Salaries or wages of persons, material and supplies, costs of equipment (including operation and maintenance), and other expenses incurred for collecting garbage and other waste material, such as ashes, cans, boxes, bottles, scrap metal, and burned refuse. If this collection service, either wholly or in part, is performed privately under contract, any cost to the municipality should also be included.

Garbage and Waste Disposal—Salaries or wages of the plant superintendent or engineer and staff as well as labour, material and supplies, and other expenses in connection with maintaining and operating an incinerator or other plant and equipment for the disposal of garbage and other waste material. Also include rentals and other expenditures for maintaining nuisance grounds (or dumps) for this purpose.

Comfort Stations—Salaries or wages of persons, repairs, material and supplies, heat, light, water, and other expenses in connection with maintaining and operating comfort stations other than those included in parks or other recreational or community centres.

Health

5. Expenditures for the conservation and improvement of public health as follows:

General—Include here only those administration expenses for salaries, wages or fees, clerical staff, stationery and supplies, and other general expenses incurred directly for the administration or supervision of health activities which are not distributable to the items below. Also include vital statistics, and other costs not distributable.

Public Health—

Administration—Salaries, wages or fees and expenses of members of the Board of Health, medical health officer, city or town physician (employed to supervise or carry out the programs under this heading, but not to provide medical care), public health nurses, clerical staff; stationery and supplies, and other administrative expenses which can be allocated to public health.

Regulation and Inspection—Salaries or wages of persons, stationery, supplies, and other general expenses incurred for the regulation and inspection of water, milk, food, drugs, restaurants and their personnel, and shops, and other inspection services designed to eliminate unsanitary conditions.

Control of Communicable Diseases—Salaries or wages of persons, stationery, supplies, and other general expenses incurred for the control of communicable diseases, other than hospitalization charges. Include clinics and dispensaries such as for tuberculosis, venereal, and other diseases, as well as quarantine, disinfection, vaccination, and immunization.

Maternal and Child Health—Salaries and wages of persons, stationery, supplies, and other general expenses for child health services, other than communicable diseases, including pre-natal and pre-school clinics and well-baby clinics, and school health programs where paid out of municipal funds.

Clinics and Laboratories—Salaries or wages of persons, stationery, supplies, and other general expenses of main-

taining and operating general health clinics or centres, and laboratories, other than those established for specific purposes which would be included under one of the previous sub-items.

Other—Public health expenditures which cannot properly be classified above. These should be detailed.

Medical, Dental and Allied Services—

Administration—Salaries or wages of persons, stationery, supplies and other general expenses incurred for the provision of medical, dental and nursing care, and for pharmaceuticals used or provided during such care.

Physicians' services—Administration of the provision of medical care under municipal doctor schemes (in Manitoba, the gross cost to the municipality of Medical Care Districts), or to indigents. Payment for such services by salary or fees, grants to physicians for indigent care, or to encourage practice in a community.

Nursing Services—Payment of salaries or fees for the treatment of indigent or other patients; grants to nursing orders.

Dental Care—Expense of dental clinics maintained by the municipality, dentists' fees, etc.

Pharmaceuticals—Cost of providing pharmaceuticals to indigents and others.

Other—Medical, dental and allied service expenditures not set out above. These should be detailed.

Hospital Care—

Administration—Salaries and wages of persons, stationery, supplies and other general expenses of administering hospital care, but not to include the administration costs of a hospital as a unit.

Municipal Hospitals—The net cost of municipally-operated hospitals, in other words, *do not* include the operating revenues and expenditures of such hospitals at the gross amount but show only the *net results* of operations *exclusive of principal or sinking fund instalments and interest on debentures* which are to be included under item 9, Debt Charges. If the revenues exceed the operating expenditures, the excess should be reported under item 8 of the revenues. Include Union Hospital District Charges in Saskatchewan, Hospital District Levies in Manitoba, Sanatoria Levies in Manitoba and Saskatchewan, and requisition of Municipal Hospital District in Alberta.

Payments to Hospitals for Services—Expenditures to maintain patients in hospitals, such as per diem costs, whether under a municipal hospitalization scheme, or for maintenance of indigents, or of insane or tubercular patients.

Ontario municipalities should show here the cost of treatment of indigents in provincial hospitals which is met by or out of their share of Provincial Railway Tax Distribution. Therefore, their *full* share of the Railway Tax should be shown as revenue under item 8, Contributions, Grants and Subsidies.

Grants—Grants to hospitals and sanatoria for construction and equipment and for maintenance and operation. Also include here grants to hospitalization funds.

Other — Other expenses for hospital care not set out above. These should be detailed.

NOTE: Municipal contributions to health units, health regions and other local units of health administration which overlie municipal organization should not be shown here. As the actual health expenditures are made by the unit or by the province on behalf of the unit, the contributions by the municipality out of municipal funds, or special levies for the purpose are in the nature of joint expenditures, and therefore should be reported separately under item 13 and identified. This does not, however, apply to health boards or departments of the municipality, which have direct responsibility for administration of health services. Expenditures by or on account of these should be classified hereunder.

Social Welfare

6. Expenditures should be segregated into the principal functions which follow. Medical, dental and allied services and hospital care of these classes of persons should be classified under Health.

Aid to Aged Persons—Which should include the following:

Old Age Pensions—Administration and supervision, together with the municipality's share of pensions where such a contribution is made.

Charitable Institutions—Gross cost of municipally-owned houses of refuge, houses for aged and infirm or incurables, or expenditures for the maintenance of inmates in these types of institutions, together with grants to such institutions.

Aid to Blind Persons—Which should include the following:

Blind Pensions—Administration and supervision, together with the municipality's share of pensions where such a contribution is made.

Charitable Institutions—Expense of maintaining persons in institutions for the blind, together with grants to such institutions.

Aid to Unemployed Employables—Which should include: administrative and supervisory cost of such aid: assistance payments for unemployment or occupational aid such as for food, fuel, clothing and shelter to *employable* persons and their dependents, who are in need as a result of unemployment or loss of gainful occupation: assistance payments

for agricultural aid, such as to farmers and their dependents in need as the result of agricultural distress, for food, fuel, clothing and shelter: aid to and care of transients, such as expenditures for food, clothing and other assistance : the expense of rehabilitation services designed to assist such persons in refitting themselves for employment or in farm settlement or resettlement. Also moving or transportation expenses of unemployed to locations where employment may be found, or to other living quarters; ambulance fees, and school books and supplies, of unemployed employables and their families.

All such expenditures falling within the above categories should be included whether or not they are allowable items or within prescribed limitations in accordance with regulations of the Dominion and/or Provincial Government.

NOTE: Do not include: expenditures on account of relief works programs, which should be shown under item 12, Capital Expenditures Provided out of Revenue; principal, sinking fund requirements and interest on debentures issued for relief purposes, or interest charges on relief brorrowings, which should be shown under item 9, Debt Charges.

Aid to Unemployables—Which should include administration and supervision as well as indigent or poor relief assistance payments, such as for food, fuel, clothing and shelter to unemployable persons and their dependents. This would include voluntary aid expenditures such as those provided by or through the municipality out of voluntary donations or subscriptions for charitable purposes. (The voluntary donations out of which such expenditures would be made should be shown as a revenue under item 10.) It would also include the cost of maintaining unemployables in charitable institutions such as houses for indigent poor.

All such expenditures should be included whether or not they are allowable items or within the prescribed limitations in accordance with regulations of the Dominion and/or Provincial Government.

Mothers' Allowances—Which should include administration and supervision, and the municipality's share of such allowances, where such contributions are made.

Child Welfare—Which should include administration and supervision, as well as the gross cost of municipally-owned orphanages, boys' or girls' homes, children's aid societies, other homes for children, day nurseries, etc. Also maintenance of inmates in the above types of institutions and in foster or boarding homes, and grants to the above types of institutions.

NOTE: Miscellaneous revenues arising from the operation of any of the above municipally-owned institutions should not be deducted from the expenditures but included in the revenue section and classified the same as all other municipal revenues with particular care being taken to see that grants or payments

from the province or from other municipalities are shown accordingly.

Other—Which should include general administration and supervision not separable or distributable between the above items. Also grants to miscellaneous welfare organizations and societies which cannot be allocated to specific items above; emergency shelter and expenses for the burial of indigents.

Education

7. Expenditures for school purposes should be shown at an amount equal to the school tax levy, but exclusive of principal, sinking fund requirements and interest on any debentures issued by the municipality for and on behalf of the school authorities which should be included under item 9, Debt Charges. In other words, if the school debentures were issued by the municipality, which also levies and collects the school taxes, the expenditure under this item would be equal to the difference between the school tax levy (Taxation Revenue for School Purposes—item 1 (12) of the revenues) and the gross debt charges on school debentures (principal or sinking fund instalments and interest); but if the school authorities issue their own debentures whereas the municipality levies and collects the taxes, the expenditure to be shown here would be equal to the total levy. In both instances, any provincial grants, fees and other revenues of school authorities which may be paid to the municipality, whether or not based on expenditures for maintenance or for debt charges, should be credited direct to the account of the local school authority and not included in either the revenues or expenditures in this statement. (See explanations on pages 70 and 71 in connection with items 8 and 9 of the revenues for further reference in this regard.)

Expenditures for elementary, secondary, and technical or vocational schools should be shown separately, wherever such a division of educational activities is maintained, so as to conform with the division of the corresponding item of taxation revenue.

Amounts provided by the municipality out of general rates for tuition fees, or grants payable to school authorities, such as township school grants in Ontario, and amounts provided for educational purposes by counties in New Brunswick, as well as amounts provided by cities, towns and municipalities (rural) in Nova Scotia for the Municipal School Fund should also be included under this item *but shown separately* from the aforementioned expenditures. Also show separately the general school levy of Manitoba rural municipalities.

In the case of Ontario municipalities, educational costs included in County Rates or Levies should *not* be shown here but included as part of the total county rates to be shown under item 13.

8. Expenditures falling within this category should be segregated as follows: **Recreation and Community Services**

Recreation Services—Which would include *Community Centres and Halls, Municipal Golf Courses, Swimming Pools, Beaches and Baths, Skating Rinks and Arenas, and Amusement Parks and Playgrounds* which should be distinguished from other parks as referred to on page 69 in connection with the revenues from such activities.

Community Services—Which would include *Libraries, Museums, Art Galleries, Exhibitions and Fairs, Parks, Tourist Camps, Markets and Weigh Scales.*

Where these services or activities are carried on under the direct jurisdiction of council, the expenditures should be shown at the gross amount (i.e., before deducting any revenues derived from operations) but exclusive of principal or sinking fund requirements and interest on debentures, which are to be included under "Debt Charges". These would include expenditures made directly in connection with any such services, such as for salaries or wages of persons, material and supplies, books, periodicals, museum or art pieces, repairs, heat, light, water, insurance, cost of equipment (including operation and maintenance), etc., depending on the service involved. Also include expenditures by way of grants or allowances to private recreational and community service organizations or associations for similar purposes, as well as expenditures for public celebrations. Under these circumstances, revenues derived from the operations of these activities should be included in the revenue section and classified on the same basis as other general revenues.

However, where these activities are administered by a more or less independent, or quasi-independent board, commission or agency of the municipality, which requisitions the municipal council for its "net" requirements to be levied or taxed for, the amount of the requisition should be shown as an expenditure.

Under the latter circumstances, details of both gross revenues and gross expenditures of such services should be reported in separate operating statements and appropriately classified therein according to the general revenue and expenditure classification.

9. Expenditures to be included under this item should be segregated as follows: **Debt Charges**

Debenture Debt Charges—Principal instalments, sinking fund requirements and interest *due* during the current fiscal year in respect of *all* debentures issued by the municipality, as well as similar amounts *due* in respect of debentures assumed from other municipalities.

Principal repayments of *Municipal Improvements Assistance Act* loans and interest thereon are to be included here,

exclusive of interest on interim advances covering incompleted projects, which is to be included in the next item. Detail of this item is shown in Schedule 11 (Form 39 on page 186).

Interest on Other Long-Term Borrowings—Interest on long-term loans from banks, governments, and others, the term of which call for repayment over, or at the end of a term of years, but which are not debentured, though they may be secured by unsold debentures. Exclude interest on M.I.A. Act loans on completed projects for which debentures are hypothecated [to be included under item 9 (91)], but include interest on interim loans covering incompleted projects.

Temporary Debt Charges—Bank and other interest on temporary borrowings for revenue fund purposes, including relief borrowings. Also include exchange and other bank charges.

Discount (or amount amortized) on Sale of Debentures—The amount by which the selling price of debentures falls short of the face value, which is the liability in the *Capital and Loan Funds Balance Sheet.* If amortized, the amount of the yearly expenditure for reduction of the asset entry.

Premium (or amount amortized) or Loss on Sale of Securities Purchased as Investments—The expenditure over and above the face value when investments are purchased, or that part of such premium amortized as is written off during the year. Also include loss sustained when investments are sold at less than the value shown in the balance sheet.

Loss on Foreign Exchange—The expense due to unfavourable exchange rates in obtaining foreign loans, on the repayment of such obligations at a less favourable exchange rate than that under which the debt was incurred. Also include loss on exchange of foreign funds.

Utilities and Other Municipal Enterprises

10. ***Deficits Provided*** — Deficits of utilities and other municipal enterprises, including housing and cemeteries, etc., for either current or previous fiscal years, which were actually provided for out of revenue fund budget appropriations of the current fiscal year. Any such amounts shown here should agree with the relative amounts shown under item 6 of Exhibit (s) XIX(*) (Form 17 on page 125), under item 6 of Exhibits XXII and XXV (Forms 20 and 23 on pages 143 and 159 respectively, and similar items in the Surplus Accounts of any other municipal enterprises.

Municipal Levies for Utilities and Other Municipal Enterprises—Amounts provided out of taxation for or on behalf of utilities and other municipal enterprises other than for deficits; these would include levies by general or special area rates as well as direct charges, such as for local improve-

ments—watermains. For further explanation regarding these amounts being shown as expenditures, reference should be made to the explanations relating to item 9 of the revenue on page 71 and to item 3 of the water supply system income on page 134. Although such levies usually apply only to debt charges, they may in some instances, also include a portion of the maintenance and operating expenditures.

Expenditures for such amounts in respect of utilities should be shown separately from those in respect of other municipal enterprises such as housing or cemeteries.

11. The total of such amounts as are determined as charges against revenue for the current year, which should be segregated as follows: **Provision for Reserves**

Provision for Undetermined Losses on Assets—Such as for uncollectible or uncollected taxes, uncollectible accounts receivable and loss on sale of property acquired for taxes.

Provision for Contingencies—Such as for damages arising out of court action.

Provision for Future Expenditures—Such as for the replacement or acquisition of fixed assets; or for the provision of services, expenditures for which will be made at future date.

NOTE: See Reserves, item 13, Revenue Fund Balance Sheet, page 52, for a further description of the different types of reserves provided for out of current revenue. However, provision for reserves to reflect liabilities for services rendered, but for which invoices or accounts have not been received, should not appear here, but as an expenditure against the appropriation for the service concerned.

12. Expenditures for buildings or structural work, including land, purchase of equipment, construction of improvements such as streets, sidewalks, sewers, etc., and for other assets of a fixed or permanent nature which were acquired out of revenue fund budget appropriations of the current fiscal year; but not including normal replacement costs or alterations which are usually included in yearly estimates. These would include expenditures on account of relief works programs. Detail of this item is set out in Schedule 12 (Form 40 on page 188). **Capital Expenditures Provided Out of Revenue**

NOTE: This should include only expenditures actually made. Provision for reserves for the acquisition or replacement of fixed assets should be shown under item 11.

13. In many instances municipalities are required to provide in their tax levies or rates for a portion of certain charges which are shared jointly with other municipalities, or to provide for amounts which are expendable for the benefit of certain prescribed or limited areas of the local municipality. These would consist principally of the following items, summarized by provinces, for which the special levy or the respective municipality's share of the *total* charges should be shown separately in the statement. **Joint or Special Expenditures (N.O.P.)**

Nova Scotia—
- Joint Expenditure Boards or Committees (share of total charges).
- Poor District Rates.
- Provincial Highway Tax.
- District or Special Area Rates or Levies (Police, Fire, Sewage and Improvement Areas, etc.) other than Poor Districts.
- Village Commissioner's Rates.
- Snow Removal Fund.

New Brunswick—
- County Rates (Cities, Towns and Villages).

Quebec—
- County Rates.
- Montreal Metropolitan Commission Charges.

Ontario—
- County Rates (including secondary and other educational charges to local municipalities).
- Police Village Rates or Levies.
- Special Area Rates or Levies (Police, Fire, Sewage and Improvement Areas, etc.).
- Suburban Roads Commission Charges.
- Interurban Administrative Area Levies.

Manitoba—
- Greater Winnipeg Sanitary District Charges.
- Municipal Commissioner's Levy.
- Provincial Trunk Highways Levy.
- Village District Committee Rates or Levies.

Alberta—
- Educational Tax.

British Columbia—
- Special Area Rates or Levies.
- Vancouver and Districts Joint Sewerage and Drainage Board Charges.

A full explanation of each of these items and of their treatment in the municipal report is contained in Appendix "A", pages 193 to 212.

In all provinces where municipal corporations contribute to overlaying health units, health regions, and other local units of health administration, whether directly, or indirectly through the provincial government, such contributions should be shown hereunder as a separate sub-item, and not as expenditures under item 5, Health.

Such classification is required because the actual expenditures on "Health" are made by the unit, or by the province on behalf of the unit, and not by the municipal corporation, which merely pays over grants, or levies made upon it to meet its share of the cost. This does not, however, apply to

health boards or departments of the municipality; expenditures for which should be classified in the proper subdivisions of item 5, Health.

14. This item is not intended as a repository for items not easily identifiable or difficult to classify, but which rightfully belong in items 1 to 13. It should include only those which cannot properly be classified under any of the above items, such as the following: **Miscellaneous Expenditures**

Trade and Industrial Development—Remuneration and other expenses of persons, bureaus or committees for the promotion of tourist attractions and for community development of business and industrial activity. Grants to similar private organizations as well as community and promotional advertising should also be included.

Grants—Include here only those grants which cannot properly be classified elsewhere. (For instance, grants for the promotion or betterment of public health or social welfare would be classified under item 5 or 6 as the case may be; and grants to recreational or community service organizations or associations would be classified under item 8.)

War and Other Emergencies—Salaries, wages and other expenses in connection with disaster emergencies, and grants in relief thereof to persons, municipalities, or other governments. Also civil defence where such is organized.

Implementation of Guarantees—Payments on account of guarantees for either principal or interest on debentures, or for other obligation of private persons, firms or corporations and other municipalities.

Discount on Current Taxes—Discounts allowed for either the prepayment or prompt payment of taxes levied for the current year.

15. The total expenditures for the current fiscal year (items 1 to 14 inclusive).

16. The portion of the revenue fund deficit from previous years which was actually provided for in current budget appropriations. Liabilities of previous years included in the current year's budget represent a *deficit* and should be shown here accordingly. The amount of this item should agree with the relative amount shown under item 2 of Exhibit IX (Form 9 on page 53). **Deficits from Previous Years (If any)**

17. The total of items 15 and 16.

18. The amount by which item 13 of the revenues exceeds item 17 above. **Surplus for Year**

19. The total of items 17 and 18.

FORM 11

BALANCE SHEET FOR LOCAL AUTHORITIES

(Other than Utilities and Other Municipal Enterprises, or Schools)

Form 11

BALANCE SHEET FOR LOCAL AUTHORITIES
(Other than Utilities and Other Municipal Enterprises, or Schools)

CAPITAL AND LOAN FUNDS

As at..... (Day) ..... (Month) .....19...

ASSETS

1. General Fixed Assets:			
11. Land	$.....		
12. Buildings	.....		
13. Equipment	.....		
	Sub-Total	$.....	
Less: Reserve for Depreciation—4 (41) (Where applicable)		.....	
		Net Total	$.....
2. Due from Other Funds: (Specify)			
21.	$.....		
22.	.....		
23.	.....		
		Sub-Total	.....
3. Other Assets: (Specify)			
31.	$.....		
32.	.....		
33.	.....		
		Sub-Total	.....
Total Assets			$.....

REVENUE FUND

As at..... (Day) ..... (Month) .....19...

ASSETS

4. Cash			$.....
5. Accounts Receivable	$.....		
Less: Reserve for Uncollectible Accounts Receivable—10 (101)	.....		
		Net Total	.....
6. Due from Other Funds: (Specify)			
61.	$.....		
62.	.....		
63.	.....		
		Sub-Total	.....
7. Other Assets: (Specify)			
71.	$.....		
72.	.....		
73.	.....		
		Sub-Total	.....
8. Deficit—Exhibit XII			.....
Total Assets			$.....

BALANCE SHEET FOR LOCAL AUTHORITIES
(Other than Utilities and Other Municipal Enterprises, or Schools)

EXHIBIT XI

CAPITAL AND LOAN FUNDS

As at..... .....19...
(Day) (Month)

LIABILITIES

1. Due to Capital and Loan Fund (General Section) **for Debentures**		$.....
2. Due to Other Funds: (Specify)		
21.	$.....	
22.	.....	
23.	.....	
	Sub-Total	.....
3. Other Liabilities: (Specify)		
31.	$.....	
32.	.....	
33.	.....	
	Sub-Total	
4. Reserves—Other than for Depreciation: (Specify)		
42.	$.....	
43.	.....	
	Sub-Total	.....
5. Investment in Capital Assets		.....
Total Liabilities		$.....

REVENUE FUND

As at..... .....19...
(Day) (Month)

LIABILITIES

6. Bank Overdraft		$.....
7. Accounts Payable		.....
8. Due to Other Funds: (Specify)		
81.	$.....	
82.	.....	
83.	.....	
	Sub-Total	.....
9. Other Liabilities: (Specify)		
91.	$.....	
92.	.....	
93.	.....	
	Sub-Total	.....
10. Reserves—Other than for Uncollectible Accounts Receivable: (Specify)		
102.	$.....	
103.	.....	
	Sub-Total	.....
11. Surplus—Exhibit XII		.....
Total Liabilities		$.....

BALANCE SHEET FOR LOCAL AUTHORITIES

(Other than Utilities and Other Municipal Enterprises, or Schools)

The extent to which separate accounting records are maintained for special functions, boards, commissions or other local authorities will determine the need for and use of this balance sheet. For the most part the balance sheets of Capital and Loan Funds (General Section), Revenue Fund (General Section), Sinking Fund, Reserve Funds, and Trust and Agency Funds together with those of Utilities and Other Municipal Enterprises will include all assets, liabilities, reserves and surpluses of the unit of local government (with the exception of school authorities, to which special reference is made in the introductory remarks on page x). In many instances, however, the assets and liabilities of Parks Boards, Public Libraries, Hospitals, Boards of Health, Welfare Boards or of other local activities or special functions, such as Working Capital Funds for asphalt plants, coal yards, etc., are not included in the aforementioned balance sheets; and too, in some cases, only the revenue fund assets and liabilities of these activities are segregated, while in others the segregation applies to those of the capital and loan fund as well.

Thus, in order to obtain a complete balance sheet picture, embracing all such activities of the local municipality, the assets and liabilities which are kept separate from the principal fund accounts must be reported and this balance sheet should be used to the extent necessary in this regard.

A Dominion-Provincial Conference has drawn up appropriate financial statements for hospital reporting, and these should be used. There are also approved reporting forms for libraries.

By reason of the wide variation of functions for which separate accounting records may be maintained, it is relatively impossible to provide specifically for all possible assets or liabilities; hence, reference should be made to the explanations relating to the other balance sheets for information and guidance in classifying them under their appropriate headings, so that they can be clearly and distinctly related to those of a similar nature in the course of consolidation in the Combined Balance Sheet, Exhibit I (Form 1 on page 3). *It is of the greatest importance that amounts due from or to other funds, etc., be kept separate and reconciled in order to avoid duplication;* and that amounts due from or to the Dominion Government, Provincial Government or other municipalities also be shown separately.

SURPLUS (DEFICIT) ACCOUNT — EXHIBIT XII
INCOME AND EXPENDITURE ACCOUNT — EXHIBIT XIII

For Local Authorities
(Other than Utilities and Other Municipal Enterprises, or Schools)

Normally, separate "Surplus (Deficit) Accounts" and "Income and Expenditure Accounts" (or operating statements) should be prepared for each local authority or activity for which a balance sheet, Exhibit XI, is required. However, it may occur that while the balance sheet accounts of some local authorities are kept separate from the principal fund accounts, the operating accounts (revenues or income and expenditures) may not be kept separate, but merged with the general revenues and expenditures as provided for in Exhibit X (Form 10 on page 57). In these cases it is not necessary to prepare separate operating statements, although they may be included in the report for information purposes. However, where only the *net* result of operations is carried into the revenue and expenditure account (general section), such as in the case of *parks or libraries when under separate boards, hospitals* and *working capital funds*, separate statements should be prepared in each case.

By reason of the variation in items of revenue, or income, and expenditures as between each different local authority or function for which a separate operating statement may have to be prepared and the limited extent to which such activities are found in municipal organizations it is not deemed practicable to outline a standard operating statement form. Such should conform to customary practice relating to each activity but following the general principles of inter-fund and inter-governmental relationship as provided for in the draft forms for other local activities which are specifically dealt with in this Manual.

FORM 12

RESERVE FUNDS BALANCE SHEET

RESERVE FUNDS BALANCE SHEET

As at ..... (Day) ..... (Month) .....19...

EXHIBIT XIV

	Insurance Reserve Fund	Other (Specify)	Other (Specify)	Other (Specify)	Total All Reserve Funds
ASSETS					
1. Cash	$.....	$.....	$.....	$.....	$.....
2. Investments:					
21. Dominion Government	$.....	$.....	$.....	$.....	$.....
22. Provincial Governments: (Specify)					
221.	.....	.....	.....	.....	.....
222.	.....	.....	.....	.....	.....
223.	.....	.....	.....	.....	.....
224.	.....	.....	.....	.....	.....
225.	.....	.....	.....	.....	.....
23. Municipal Governments (Excl. Own)	.....	.....	.....	.....	.....
24. Own Municipality	.....	.....	.....	.....	.....
25. School Corporations	.....	.....	.....	.....	.....
26. Others: (Specify)					
261.	.....	.....	.....	.....	.....
262.	.....	.....	.....	.....	.....
Total Investments	$.....	$.....	$.....	$.....	$.....
3. Due from Other Funds: (Specify)					
31.	.....	.....	.....	.....	.....
32.	.....	.....	.....	.....	.....
33.	.....	.....	.....	.....	.....
4. Other Assets: (Specify)					
41.	.....	.....	.....	.....	.....
42.	.....	.....	.....	.....	.....
43.	.....	.....	.....	.....	.....
Total Assets	$.....	$.....	$.....	$.....	$.....
LIABILITIES					
1. Reserve Fund Balance	$.....	$.....	$.....	$.....	$.....
2. Accounts Payable	.....	.....	.....	.....	.....
3. Due to Other Funds: (Specify)					
31.	.....	.....	.....	.....	.....
32.	.....	.....	.....	.....	.....
33.	.....	.....	.....	.....	.....
4. Other Liabilities: (Specify)					
41.	.....	.....	.....	.....	.....
42.	.....	.....	.....	.....	.....
43.	.....	.....	.....	.....	.....
Total Liabilities	$.....	$.....	$.....	$.....	$.....

RESERVE FUNDS BALANCE SHEET

Reserve Funds which have been provided for specific purposes and for which assets have been set aside should be reported in the form of this Exhibit, assets and liabilities of *each such reserve being shown in a separate column with the name of the reserve at the top.* Such Reserve Funds should not be confused with those in other balance sheets which represent merely an allocation of assets and surplus of the funds presented in those balance sheets.

The income and expenditure of both types, however, may be reported in the statement of Income and Expenditure of Reserve Funds, Exhibit XVI (Form 14 on page 105).

Most such Reserve Funds will fall into the categories of *Post-War and Other Special Reserve Funds, Workmen's (or other) Compensation Reserve Funds, Insurance (public liability or other) Reserve Funds, and Special Depreciation Reserve Funds.*

ASSETS

1. The balance of cash on hand or on deposit in the reserve funds which has not been invested. Cash

2. Bonds, debentures, stock or other securities in which monies deposited in the reserve funds have been invested; these should be classified according to the detail shown in the balance sheet. The same procedure should be followed in this regard as in the case of classifying sinking fund investments. (See page 25 for detailed explanation.) Investments

3. Amounts due from revenue or other funds of the municipality, which would consist principally of deposits due to reserve funds; but would also include amounts due on account of temporary advances to other funds out of reserve funds. Due from Other Funds

The name and amount owing by each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding liabilities of the other funds are in agreement with the amounts included here.

4. Assets of reserve funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Cash deposits with a trust company or other depositaries which are trust or guaranteed should be included here and not under item 1. Also include here such items as *Accrued Interest on Investments, Interest Due and Unpaid on Investments Unmatured, Investments Matured and Unpaid, and Interest Unpaid on Investments Matured,* all of which are explained on page 26 in relation to the Sinking Fund Balance Sheet. Other Assets

LIABILITIES

Reserve Fund Balance

1. This represents the liability of each different reserve fund in respect of the reserve created. It is the net amount of assets available at the time of the balance sheet for application to the purpose for which the reserve was established.

It is important that the fund balance be reported in accordance with the terms or conditions of the reserve created and that amounts payable or commitments due in the fiscal period but unpaid at the close of the period be reported separately under item 2.

Accounts Payable

2. Amounts due and owing which are payable out of the cash or other resources of the reserve funds, but not including any amounts owing to other funds of the municipality.

Due to Other Funds

3. Amounts due to revenue or other funds of the municipality which would consist principally of amounts due and payable out of reserve funds, pending the liquidation of securities held on that account.

The name and amount owing to each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding assets of the other funds are in agreement with the amounts included here.

Other Liabilities

4. Liabilities of reserve funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet.

NOTE: It is desirable that income and expenditure of Reserve Funds be reported. See Income and Expenditure Account of Reserve Funds (Form 14 on page 105).

FORM 13

RECONCILIATION OF RESERVE FUND BALANCE

Form 13

RECONCILIATION OF RESERVE FUND BALANCE

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT XV

1. Reserve Fund Balance at Beginning of Year		$.....
2. Income of Fund (Item 6, Exhibit XVI, Income)	$.....	
3. Expenditures of Fund (Item 5, Exhibit XVI, Expenditure)	$.....	
4. Net Increase (Item 6, Expenditures) add, or Net Decrease (Item 7, Income) subtract		$.....
5. Reserve Fund Balance at End of Year		$.....

The purpose of this statement is to show the changes during the fiscal year in the reserve fund balance. The items are self explanatory. It actually represents an analysis, in condensed form, of the general ledger account.

FORM 14

RESERVE FUNDS

Income and Expenditure Account

RESERVE FUNDS

Income and Expenditure Account

For the Fiscal Year Ended ..... (Day) ..... (Month) ....19...

EXHIBIT XVI

INCOME

1. Revenue Fund Contributions		$.....
2. Interest On:		
21. Bank Deposits	$.....	
22. Investments	.....	
	Sub-Total	.....
3. Profit on Sale of Investments		.....
4. Premium or Bonus on Investments Matured (or Called)		.....
5. Other: (Specify)		
51.	$.....	
52.	.....	
	Sub-Total	.....
6. Total Income		$.....
7. Decrease in Reserve (Excess of Expenditure over Income)—Carried forward to Fund Reconciliation—Exhibit XV		.....
8. Grand Total Income Section		$.....

EXPENDITURE

1. Capital Expenditures [Classified as in Schedule 12 (Form 40 on page 188)]		$.....
2. Contributions to Other Funds: (Specify)		
21.	$.....	
22.	.....	
	Sub-Total	.....
3. Loss on Sale of Investments		.....
4. Other: (Specify) [Classified as in Exhibit X (Form 10 on page 57)]		.....
41.	$.....	
42.	.....	
	Sub-Total	.....
5. Total Expenditure		$.....
6. Increase in Reserve (Excess of Income over Expenditure)—Carried forward to Fund Reconciliation—Exhibit XV		.....
7. Grand Total Expenditure Section		$.....

INCOME AND EXPENDITURE OF RESERVE FUNDS

In somes instances municipalities are empowered to provide reserve funds for post-war construction and reconstruction, deferred maintenance, replacement of equipment or for other special purposes. In most of such instances the money is also set aside in a special account or fund for investment, and earmarked according to the purpose for which it may be used. Interest from the investment of this money and other income may or may not be added to the fund. Similarly expenditures may be made directly out of the fund. In other instances the money is not actually set aside in a separate fund, there being merely a "provision" for the reserve account, according to the purpose for which created in the appropriate balance sheet, but with no corresponding transfer of money for investment to a special reserve fund account.

Regardless of which procedure is followed, however, it is considered sound financial practice for all income or other revenues accruing to the credit of the reserve accounts and all expenditures chargeable thereto, to be kept separate and not included in the general fund revenue and expenditure account. Thus a statement should be included in the annual report, showing the transactions relating to such reserves and reserve funds.

This statement is designed primarily for use where such special funds are created by the municipality out of general revenue and deposited in separate reserve fund account as reported above. However, where there is merely a provision for the reserve and the assets reserved remain part of the revenue fund, the expenditures charged directly against the reserve account, and other transactions relating to the reserve, should be reported in a similar manner.

INCOME

1. Income of a special reserve fund which arises out of the transfer of liquid assets from the *Revenue Fund:* This may be by way of a lump sum, or by regular or irregular payments. — Revenue Fund Contributions

2. Interest on bank deposits. — Interest

Interest received and accruing on investments held in the fund: deduct accrued interest paid when securities were purchased during the fiscal period.

3. The amount by which the proceeds from sale of securities held as investments exceeds their balance sheet valuation. — Profit on Sale of Investments

Premium or Bonus on Investments Matured (or Called)

4. The amount received in excess of the par value of securities held as investments either when such have matured or when called for redemption before the due date.

Other

5. This item is for sundry revenues not provided for elsewhere in the statement, the nature and source of which should, however, be specified.

6. The total of items 1 to 5 above.

Decrease in Reserve

7. The amount by which item 5 of expenditures exceeds item 6 above.

8. The total of items 6 and 7.

EXPENDITURES

Capital Expenditures

1. Expenditures for buildings or structural work, including land, purchase of equipment, construction of improvements, such as streets, sidewalks, sewers, etc., and for other assets of a fixed or permanent nature which were acquired out of this special reserve fund during the current fiscal year.

These should be classified according to purpose, function and nature as are Capital Expenditures Provided out of Revenue, according to the classifications in Schedule 12 (Form 40 on page 188).

Contributions to Other Funds

2. Transfers from these special Reserve Funds to Revenue Fund or other funds (specify fund).

Loss on Sale of Investments

3. The amount by which the balance sheet valuation, of securities held as investments which were sold during the year, exceeds the proceeds from the sale.

Other

4. Sundry expenditures not provided for elsewhere in this statement, the purpose and nature of which should be specified according to the classification of expenditures in the (General) Revenue and Expenditure Account, Exhibit X (Form 10 on page 57).

5. The total of items 1 to 4.

Increase in Reserve

6. The amount by which item 6 of the income section exceeds item 5 above.

7. The total of items 5 and 6.

FORM 15

TRUST AND AGENCY FUNDS BALANCE SHEET

TRUST AND AGENCY FUNDS BALANCE SHEET

As at..... .....19...
(Day) (Month)

EXHIBIT XVII

	Trust Funds		Agency Funds		
	Memorial or Endowment Trust Funds	Other (Specify)	Civic Pension Funds	Other (Specify)	Total all Funds
ASSETS					
1. Cash	$.....	$.....	$.....	$.....	$.....
2 Investments:					
21. Dominion Government	$.....	$.....	$.....	$.....	$.....
22. Provincial Governments: (Specify)	.....	.....	.....	.....	.....
221.	.....	.....	.....	.....	.....
222.	.....	.....	.....	.....	.....
223.	.....	.....	.....	.....	.....
224.	.....	.....	.....	.....	.....
225.	.....	.....	.....	.....	.....
23. Municipal Governments (Excl. Own)	.....	.....	.....	.....	.....
24. Own Municipality	.....	.....	.....	.....	.....
25. School Corporations	.....	.....	.....	.....	.....
26. Others: (Specify)					
261.	.....	.....	.....	.....	.....
262.	.....	.....	.....	.....	.....
Total Investments	$.....	$.....	$.....	$.....	$.....
3. Due from Other Funds: (Specify)					
31.	.....	.....	.....	.....	.....
32.	.....	.....	.....	.....	.....
33.	.....	.....	.....	.....	.....
4. Other Assets: (Specify)					
41.	.....	.....	.....	.....	.....
42.	.....	.....	.....	.....	.....
43.	.....	.....	.....	.....	.....
Total Assets	$.....	$.....	$.....	$.....	$.....
LIABILITIES					
1. Trust or Agency Fund Balance	$.....	$.....	$.....	$.....	$.....
2. Accounts Payable	.....	.....	.....	.....	.....
3. Due to Other Funds: (Specify)					
31.	.....	.....	.....	.....	.....
32.	.....	.....	.....	.....	.....
33.	.....	.....	.....	.....	.....
4. Other Liabilities: (Specify)					
41.	.....	.....	.....	.....	.....
42.	.....	.....	.....	.....	.....
43.	.....	.....	.....	.....	.....
Total Liabilities	$.....	$.....	$.....	$.....	$.....

TRUST AND AGENCY FUNDS BALANCE SHEET

This balance sheet is for reporting the financial position of all trust or agency funds in the hands of the municipal corporation. It is important that all such fund balances be reported separately and not included in the individual balance sheets of the local authorities which are charged with the custody and management of the funds.

Trust Funds would include *Guaranty Deposits,* such as contractors' deposits or holdbacks; *Local Improvement (or other) Commutation Funds; Clergy Reserve Funds; Perpetual Care Funds,* as in respect of cemeteries or cemetery plots; *Memorial or other Endowment Funds* as to cemeteries, hospitals, libraries or parks, and other sundry trust or endowment funds as well as *Deposits in Trust.* This group should include the assets held in trust for the sinking funds of school corporations or other bodies that issue their own debentures, together with offsetting liabilities and reserves. Where this situation exists, the municipality merely acts as a trustee or agent for and on behalf of the independent authority.

Agency Funds would include *Civic Pension Funds; Police Pension or Benefit Funds; Firemen's Pension or Benefit Funds* and others of the same character. Only such of the assets of these funds as are held in trust by the municipality, together with the necessary agency fund balances, should be reported here. It is desirable that financial information for such funds should be published, preferably in the municipality's report, whether or not the funds are administered in trust by the municipality. Detailed report form for use by the administrators (boards or commissions) in reporting assets and liabilities of *Agency Funds* is therefore set out in Part IV, page 287.

If possible each fund should be reported in a separate column in the balance sheet, as illustrated, with Trust and Agency Funds grouped under those headings. Otherwise, funds may be combined into these two groups, but should not all be consolidated into one balance sheet.

ASSETS

1. The balance of cash on hand or on deposit in the trust or agency funds which has not been invested. **Cash**

2. Bonds, debentures, stock or other securities in which monies deposited in the trust or agency funds have been invested; these should be classified according to the detail shown in the balance sheet. The same procedure should be followed in this regard as in the case of classifying sinking fund investments. (See page 25 for detailed explanation.) **Investments**

3. Amounts due from revenue or other funds of the municipality, which would consist principally of deposits due to agency funds; but would also include amounts due on account **Due from Other Funds**

of temporary advances to other funds out of trust or agency funds, as well as inter-fund balances betweeen these funds.

The name and amount owing by each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding liabilities of the other funds are in agreement with the amounts included here.

Other Assets

4. Assets of trust or agency funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Cash deposits with a trust company or other depositaries which are *trust* or *guaranteed* should be included here and *not* under item 1. Also include here such items as *Accrued Interest on Investments, Interest Due and Unpaid on Investments Unmatured, Investments Matured and Unpaid, and Interest Unpaid on Investments Matured,* all of which are explained on page 26 in relation to the Sinking Fund Balance Sheet.

LIABILITIES

Trust or Agency Fund Balance

1. This represents the liability of each different fund in respect of the trust or agency created.

Trust Fund

In the case of a *trust fund* arising from a *bequest, gift or endowment,* the fund balance would represent the amount of the original bequest(s), gift(s) or endowment(s) if the principal thereof is to be held intact; but if in addition to the earnings or income from the trust, the principal is also to be gradually expended, this account would then represent the reduced balance of the trust. *Commutation Funds* would fall within this latter category.

A *Deposit In Trust* usually bears interest until it is returned or applied in accordance with the intention or agreement at the time of making the deposit, in which case the fund balance represents the amount accumulated to the credit of the person or other authority from which the deposit was received.

A *Perpetual Care Fund* may be one of three different varieties, namely, a *fixed trust* where the principal remains intact, a *wasting trust* where the principal as well as the income is expendable, or what might be termed a *progressive or cumulative trust* which is one where the principal is added to from time to time as well as being expendable, such as in the case of a *Cemetery Perpetual Care Fund* where the proceeds from the sale of plots are to be held in trust for the care and maintenance of the cemetery. In these cases the fund balance would vary according to the nature of the trust.

Agency Fund

The fund balance of an *agency fund* represents the amount accumulated to its credit unless it is established on an actuarial basis, when a "reserve" equal to the actuarial requirements would represent the fund balance. This may be the

case in respect of some civic pension funds, in which event the difference between the assets of the fund and the reserve would represent a surplus or deficit and be shown accordingly under item 4 of either the liabilities or assets, as the case may be.

It is important that the fund balance be reported in accordance with the terms or conditions of the trust or agency created as outlined above and that amounts payable or commitments due in the fiscal period but unpaid at the close of the period be reported separately under item 2.

2. Amounts due and owing which are payable out of the cash or other resources of the trust or agency funds, but *not* including any amounts owing to other funds of the municipality. **Accounts Payable**

3. Amounts due to revenue or other funds of the municipality which would consist principally of amounts due on account of borrowings to meet either the provisions of a trust or amounts due and payable out of agency funds, pending the liquidation of securities held on that account; but would also include inter-fund balances between any trust or agency funds. **Due to Other Funds**

The name and amount owing to each other fund (or local authority) should be shown separately in the balance sheet; and care should be taken to see that the corresponding assets of the other funds are in agreement with the amounts included here.

4. Liabilities of trust or agency funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. **Other Liabilities**

FORM 16

PUBLIC UTILITY BALANCE SHEET

Form 16

PUBLIC UTILITY BALANCE SHEET

As at..... .....19...
(Day) (Month)

ASSETS

Current—			
1. Cash			$.....
2. Investments (Temporary)			.....
3. Accounts Receivable	$.....		
Less: Reserve for Uncollectible Accounts Receivable—14 (141)	.....		
		Net Total	.....
4. Due from Other Funds: (Specify)			
41.	$.....		
42.	.....		
43.	.....		
		Sub-Total	.....
5. Inventories			.....
6. Accrued Items: (Specify)			
61.	$.....		
62.	.....		
		Sub-Total	.....
7. Deferred and Prepaid Charges			.....
8. Other Current Assets: (Specify)			
81.	$.....		
82.	.....		
83.	.....		
		Sub-Total	.....
Total Current Assets			$.....
Capital—			
9. Utility Plant:			
91. Lands	$.....		
92. Buildings and Improvements	.....		
93. Plant and Equipment	.....		
94. Transmission and Distribution System	.....		
95. Other	.....		
	Sub-Total	$.....	
Less: Reserve for Depreciation—14 (142)		.....	
		Net Total	.....
10. Investment(s) and Special Funds:			
101. Physical Property		$.....	
102. Depreciation Funds—			
1021. Cash	$.....		
1022. Investments: (Specify)			
10221.	.....		
10222.	.....		
10223.	.....		
	Sub-Total	.....	
103. Sinking Funds—			
1031. Cash	$.....		
1032. Investments and Other Assets: (Specify)			
10321.	.....		
10322.	.....		
10323.	.....		
	Sub-Total	.....	
104. Other: (Specify)			
1041.		.....	
1042.		.....	
1043.		.....	
		Sub-Total	.....
11. Due from Other Funds: (Specify)			
111.		$.....	
112.		.....	
		Sub-Total	.....
12. Unamortized Discount			.....
13. Other Capital Assets: (Specify)			
131.		$.....	
132.		.....	
		Sub-Total	.....
14. Deficit—Exhibit XIX(*)			.....
Total Assets			$.....

PUBLIC UTILITY BALANCE SHEET

As at..... .....19...
(Day) (Month)

EXHIBIT XVIII(*)

LIABILITIES

Current—		
1. Bank Overdrafts		$.....
2. Temporary Loans		.....
3. Accounts Payable		.....
4. Debentures and Coupons Due:		
41. Principal	$.....	
42. Interest	.....	
	Sub-Total	.....
5. Due to Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
	Sub-Total	.....
6. Accrued Items: (Specify)		
61.	$.....	
62.	.....	
	Sub-Total	.....
7. Customers' Deposits		.....
8. Other Current Liabilities: (Specify)		
81.	$.....	
82.	.....	
83.	.....	
	Sub-Total	.....
Total Current Liabilities		$.....
Capital—		
9. Debenture Debt:		
91. Due to Capital and Loan Fund (General Section) for Debentures—(Net Debt)	$.....	
92. Debentures Issued by Utility	.....	
	Sub-Total	.....
10. Other Long-Term Indebtedness: (Specify)		
101.	$.....	
102.	.....	
	Sub-Total	.....
11. Due to Other Funds (Other than for Debentures):		
111.	$.....	
112.	.....	
	Sub-Total	.....
12. Unamortized Premium		.....
13. Other Capital Liabilities: (Specify)		
131.	$.....	
132.	.....	
	Sub-Total	.....
14. Reserves—Other than deducted from Assets: (Specify)		
143. For Debentures Matured	$.....	
144. For Retirement of Sinking Fund Debentures	.....	
145.	.....	
146.	.....	
	Sub-Total	.....
15. Surplus—Exhibit XIX (*)		
151. Capital Surplus	$.....	
152. Earned Surplus	.....	
	Sub-Total	.....
Total Liabilities		$.....

* Letter designating type of utility should be shown here, such as (W) for a Water Supply System; (E) for Electric Light and Power; (SR) for Street Railway; or (CH) for Central Heating, as indicated on the Income and Expenditure statement, Exhibit XX (W) (Form 18 on page 129).

PUBLIC UTILITY BALANCE SHEET

This balance sheet has been drafted with a view to it being adaptable for use by all utilities regardless of the nature or type of service provided or the degree of segregation of asset and liability accounts required, as between those relating to *capital transactions or operations* and those arising out of *current operations.* The principal factor to be preserved in this latter regard is the exact relationship of the utility's accounts to those of the municipality (General Section), or to other local authorities, boards or commissions; all such inter-fund accounts should be reported as such, even though the nature thereof may be identical to that of other assets or liabilities.

Further regarding the segregation of accounts, some utilities keep capital assets and liabilities (i.e., those relating to capital transactions or operations) separate from those arising out of current operations and each set of accounts is self-balancing. Under this method the difference between *capital* assets and liabilities, as set up on the balance sheet, would be represented by *capital surplus* and the difference between *current* assets and liabilities represented by *earned surplus;* and temporary advances out of capital funds for current purposes, or *vice versa,* would be shown under the items *Due (from or to) Other Funds.* Other utilities keep their accounts (assets and liabilities) more or less on the same basis as a commercial enterprise; no clear segregation of capital and current accounts is maintained, in the sense just referred to. The adaptability of the balance sheet for reporting by these utilities would be on the basis, largely, of the degree of liquidity of the assets and liabilities.

Trust or Agency Funds held by the utility should not be shown in this balance sheet, but included along with other trust or agency funds in the hands of all local authorities of the municipal corporation in the *Trust and Agency Funds Balance Sheet,* Exhibit XVII (Form 15 on page 109).

ASSETS

1. The balance of cash on hand or deposit (exclusive of that held in investment and special funds which would be shown under item 10 below) including petty cash, and deposits with or advances to employees or agents of the utility for special purposes, as well as special deposits in respect of current liabilities such as for Customers' Deposits. **Cash**

2. Bonds, debentures, stock or other securities purchased or acquired for the purpose of temporarily investing cash, pending the need of the funds for the purposes for which originally intended. **Investments**

3. Amounts due and owing by sundry persons, firms or corporations, other than governmental bodies, including rates or charges to customers for utility services. **Accounts Receivable**

Due from Other Funds

4. Amounts due and owing by other funds of the utility or by other funds of the municipality, including other local boards or commissions. *The name and amount owing by each other fund, local authority or activity should be shown separately in the balance sheet;* and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here.

Inventories

5. The inventory value of consumable goods or supplies on hand.

Accrued Items

6. Revenues earned but not yet due, such as unbilled rates to customers for utility services or accrued interest on investments. The exact nature of any such accrued items should be clearly indicated in the balance sheet.

Deferred and Prepaid Charges

7. Unusual or extraordinary expenses of the utility which are in process of amortization, as well as prepaid taxes, rent, insurance and other similar items.

Other Current Assets

8. Assets of a current or liquid nature other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing by the *Dominion* or *Provincial Government*, or by *other municipalities* should be *included here.*

Utility Plant

9. Fixed or permanent assets used in the operation of the utility, which should be reported at cost according to the detail set out in the balance sheet. Do not include here plant not used in the operation of the utility or held for resale, which should be reported under item 10 (101) below.

Investment(s) and Special Funds

10. Property investments of the utility and cash, securities and other investments held in respect of special funds. These should be classified according to the detail provided for in the balance sheet, as follows:

Physical Property

Land, buildings and other utility plant held for resale or not used in the operation of the utility.

Depreciation Funds

Assets which have been set aside in a special fund for the purpose of identification with the reserve for depreciation. Cash and investments should be shown separately; also in respect of the latter, show separately investments in securities issued or guaranteed by (1) Dominion Government, (2) Provincial Governments (specify) and (3) Municipal or School Corporations.

Sinking Funds

This item applies to the utility's *own* sinking fund in respect of debenture debt reported under item 9 (92) of the liabilities. The assets in any such funds should be reported separately in accordance with the above instructions relating to Depreciation Funds. Sinking funds held by the municipality in respect of debenture debt issued for or on behalf of the utility, an account for which is usually kept by the utility in order that its books

may show the status of its capital obligation to the municipality, should not be included here but deducted from the relative debenture debt to be reported under item 9 (91) of the liabilities; the utility account in this respect should be equal to the *reserve for retirement of sinking fund debentures* issued for utility purposes (actuarial requirements of the sinking fund), as shown by the Sinking Fund Balance Sheet, Exhibit IV (Form 4 on page 21).

In the event, however, of the utility providing for the retirement of sinking fund debentures within a shorter term of years than anticipated by the debenture borrowing by-law of the municipality, the excess of the sinking fund deposits over normal requirements, which would not be reflected in the accounts of the municipality, would be shown under this item.

Other

Investments and/or Special Funds other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet.

Due from Other Funds

11. Amounts due and owing by other funds of the utility or by other funds of the municipality, including other local boards or commissions. *The name and amount owing by each other fund, local authority or activity should be shown separately in the balance sheet;* and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here.

Unamortized Discount

12. Discount on the sale of debentures (i.e., the excess of the par value over the amount for which they are sold) which has not been amortized or otherwise provided for.

Other Capital Assets

13. Assets which are not of a current or liquid nature other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Unamortized property losses or other capital deferred charges should be *included here,* as well as amounts due and owing by the *Dominion* or *Provincial Government,* or by *other municipalities.*

Deficit

14. The amount by which the liabilities, reserves and capital surplus of the utility exceed the assets.

LIABILITIES

Bank Overdrafts

1. The amount by which the utility bank accounts are overdrawn, provided however, that only the net position of all such accounts should be shown, including cash on hand, petty cash, and deposits or advances as referred to on page 119 in connection with item 1 of the assets.

Temporary Loans

2. Amounts owing to banks or other sources as a result of *direct* borrowings by the utility for the purpose of temporary financing pending the collection of rates or charges to customers for utility services, or other miscellaneous revenues

and accounts receivable. *Do not include here borrowings from the municipality or other local authorities or loans obtained by the municipality for or on behalf of the utility;* these should be shown under item 5 below.

Accounts Payable

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies. Include all accounts covering expenditures during the current or previous fiscal periods which had not been paid at the close of the current fiscal period.

Debentures and Coupons Due

4. The amount of debenture principal and/or interest coupons in respect of debentures issued *directly* by the utility itself, which were past due but unpaid at the close of the fiscal period. Do not include amounts owing to the municipality (revenue fund) for past due debenture and interest payments; these should be shown under item 5 below. Also do not include accrued interest on debenture or other debt, which should be shown under item 6 below.

Due to Other Funds

5. Amounts due and owing to other funds of the utility or to other funds of the municipality including other local boards or commissions. *The name and amount owing to each other fund, local authority or activity should be shown separately in the balance sheet;* and care should be taken to see that the assets of the other funds, etc., are in agreement with the amounts shown here.

Accrued Items

6. Amounts representing expenditures of the current fiscal period which are not due and payable in the fiscal period, such as accrued taxes and accrued interest on temporary loans or other indebtedness. Also, include here accrued interest on debentures, if such a practice is followed. The exact nature of each item should be clearly indicated in the balance sheet.

Customers' Deposits

7. Amounts deposited by customers as security for payment of their bills.

Other Current Liabilities

8. Liabilities of a current or liquid nature, other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Customers' deposits for construction, suspense items awaiting disposition and prepaid or deferred revenues should be *included here* as well as amounts due to the *Dominion* or *Provincial Government* or to *other municipalities.*

Debenture Debt

Due to Capital and Loan Fund for Debentures (Net Debt)

9. The utility's obligation in respect of debentures issued for or on its behalf by the municipality, which represents an amount due to the *Capital and Loan Funds* of the municipality. This liability should be shown at an amount equal to the *unmatured debenture debt* for utility purposes, unless sinking fund debentures were issued, when it should be shown at an amount equal to the *net debenture debt* (i.e., the outstanding debt less the sinking fund held by the municipality as explained

on page 120 in connection with Sinking Funds and also on page 14 in connection with the corresponding asset of the Capital and Loan Funds).

The gross amount of unmatured principal outstanding in respect of debentures issued *directly* by the utility. — Debentures Issued by Utility

10. Liabilities other than for debentures, such as mortgages or purchase agreements in respect of the acquisition of utility plant. — Other Long-Term Indebtedness

11. Amounts due and owing to other funds of the utility or to other funds of the municipality including other local boards or commissions. These would include amounts owing in respect of interim advances under "The Municipal Improvements Assistance Act, 1938", which are a liability due to Capital and Loan Funds. *The name and amount owing to each fund, local authority or activity should be shown separately in the balance sheet;* and care should be taken to see that the assets of the other funds, etc., are in agreement with the amounts shown here. — Due to Other Funds (Other than for Debentures)

12. Premium on the sale of debentures (i.e., the excess of the selling price over the par value) which has not been amortized or otherwise taken into credit. — Unamortized Premium

13. Liabilities, which are not of a current or liquid nature, other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing on open account for labour, material, supplies, etc., and contractors' progress estimates in connection with capital undertakings, should be *included here*, as well as amounts due and owing to the *Dominion* or *Provincial Government* or to *other municipalities*. — Other Capital Liabilities

14. The balance of amounts provided as a reserve for losses due to the inability to collect or realize the full book value of accounts receivable. This reserve is shown in the balance sheet as a deduction from the asset *Accounts Receivable* (item 3). — Reserves for: Uncollectible Accounts Receivable

The balance of amounts credited to reserve account for depreciation against Utility Plant, which is also shown in the balance sheet as a deduction from the asset (item 9). Normally, such would represent depreciation provided according to common commercial practice (i.e., based on the normal period of usefulness of the asset, less scrap value). — Depreciation (Utility Plant)

The *Reserve for Debentures Matured* or *Reserve for Retirement of Sinking Fund Debentures* are alternative accounts to the depreciation reserve and the use of same will depend on the procedure followed by the utility with respect to provision for depreciation. For instance, if the maturities of debenture principal in respect of serial debentures, or the reserve for retirement of sinking fund debentures, are considered to be the — Debentures Matured; Retirement of Sinking Fund Debentures

equivalent of depreciation, these accounts would not be used, as the amounts which otherwise would be credited thereto would be credited to the depreciation reserve account. But, if in addition to making provision for debt retirement, as just referred to, depreciation on a commercial basis is also provided for by the utility, either one or both of these accounts would be used, depending on the nature or type of the debentures outstanding; the first account would show the accumulated total of principal maturities in respect of serial debentures, and the second would show the equivalent thereto (reserve for retirement) in respect of sinking fund debentures. On this latter basis these reserve accounts actually represent capital surplus in addition to the amount shown under item 15 below.

Other Reserves

Reserves other than those specifically referred to should be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet.

Surplus

15. The amount by which the assets of the utility exceed the liabilities and reserves, which should be segregated as between *Capital Surplus* and *Earned Surplus*. The former would include contributions, grants or other donations towards the acquisition of utility plant as well as transfers out of earned surplus for capital construction work, and the latter would include the balance of unappropriated surpluses arising from earnings or operations.

FORM 17

PUBLIC UTILITY

Surplus (Deficit) Account

Form 17

PUBLIC UTILITY

Surplus (Deficit) Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT XIX(*)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year	$.....	$.....	
2. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
3. Balance after Above Adjustments			$.....
4. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
5. Surplus or Deficit for Year under Review—Brought Forward from Utility Income and Expenditure Account, Exhibit XX (*)	.....	.....	
6. Surplus or Deficit Transferred to Revenue Fund (General Section) **During Year under Review**—Carried Forward to Revenue and Expenditure Account, Exhibit X.....	.....	.....	
7. Balance of Surplus or Deficit at End of Year—Carried Forward to Utility Balance Sheet, Exhibit XVIII(*)	.....	.....	$.....
8. Totals of Debit and Credit Columns.....	$.....	$.....	

* Letter designating type of utility should be shown here, such as (W) for a Water Supply System; (E) for Electric Light and Power; (SR) for Street Railway; or (CH) for Central Heating, as indicated on the Income and Expenditure statement, Exhibit XX (W) (Form 18 on page 129).

PUBLIC UTILITY SURPLUS (DEFICIT) ACCOUNT

The purpose of this statement is to show the changes during the fiscal period in the surplus (or deficit) of the utility; thus it actually represents an analysis, in condensed form, of the general ledger account. Where *capital* and *earned* surplus are kept separate it should apply only to the latter.

1. The balance of the account at the beginning of the year, the amount of which would be shown in either the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years which should be summarized according to character and only the *net result of similar adjustments* shown in the statement.

3. Extend the balance of the account after giving effect to the adjustments shown under item 2.

4. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to revenue fund, which should be summarized according to character and only *the net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts, inventory write-offs or adjustments and other write-offs or adjustments relating to balance sheet accounts. Also, include transfers or contributions to *capital* surplus if such is kept separate.

5. The surplus or deficit from operations for the current fiscal year as shown by the Income and Expenditure Account, Exhibit XX (Form 18 on page 129).

6. The portion of the surplus or deficit for either the current or previous years which was transferred to Revenue Fund (General Section) during the current fiscal year. The amount shown here should agree with that included under items 8 or 10 of the revenues or expenitures, respectively, in Exhibit X (Form 10 on page 57).

7. The balance of the account at the close of the year should be extended opposite this item and in addition entered in either the debit or credit column, as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 14 of the assets or item 15 of the liabilities, as the case may be, in the Utility Balance Sheet, Exhibit XVIII (Form 16 on page 115).

FORM 18

WATER SUPPLY SYSTEM

Income and Expenditure Account

WATER SUPPLY SYSTEM*

Income and Expenditure Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

INCOME

1. Sale of Water:			
11. Residential—			
111. Metered Sales	$.....		
112. Flat Rate Sales	.....		
	Sub-Total	$.....	
12. Commercial—			
121. Metered Sales	$.....		
122. Flat Rate Sales	.....		
	Sub-Total	.....	
13. Industrial—			
131. Metered Sales	$.....		
132. Flat Rate Sales	.....		
	Sub-Total	.....	
14. Public Authorities (Other than Own Municipality)—			
141. Metered Sales	$.....		
142. Flat Rate Sales	.....		
	Sub-Total	.....	
15. Own Municipality—			
151. Metered Sales	$.....		
152. Flat Rate Sales	.....		
	Sub-Total	.....	
16. Other: (Specify)			
161. Irrigation Companies	.....		
162. Private Fire Protection	.....		
163. Hydrant Rentals or Public Fire Protection	.....		
164. Sales to Other Water Utilities	.....		
165.	.....		
		Sub-Total	$.....
2. Miscellaneous Income :(Specify)			
21. Customers' Forfeited Discounts and Penalties	$.....		
22. Servicing of Customers' Installations	.....		
23.	.....		
24.	.....		
	Sub-Total	.....	
3. Provided by Municipality from Tax Levy:			
31. General or Special Area Rates	$.....		
32. Local Improvement Charges—Owners' Share	.....		
	Sub-Total	.....	
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)—Carried forward to Surplus (Deficit) Account, Exhibit XIX			.....
6. Grand Total Income Section			$.....

* Separate statements of Income and Expenditure should be prepared for each utility. Forms for other types of utilities are shown (Forms 45 to 53 on page 214 to 231).

WATER SUPPLY SYSTEM*
Income and Expenditure Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT XX (W)

EXPENDITURE

1. Administration and General		$.....
2. Customers' Billing and Collecting		.....
3. Water Purchased		.....
4. Source of Supply:		
41. Maintenance	$.....	
42. Operation	.....	
Sub-Total		.....
5. Power and Pumping:		
51. Maintenance	$.....	
52. Operation	.....	
Sub-Total		.....
6. Purification:		
61. Maintenance	$.....	
62. Operation	.....	
Sub-Total		.....
7. Transmission and Distribution:		
71. Maintenance	$.....	
72. Operation	.....	
Sub-Total		.....
8. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
81.	$.....	
82.	.....	
83.	.....	
Sub-Total		.....
9. Depreciation		.....
10. Debenture Debt Charges:		
101. Interest	$.....	
102. Serial Debentures—Principal Instalments	.....	
103. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
11. Total Expenditure		$.....
12. Surplus for Year (Excess of Income over Expenditure)—Carried forward to Surplus (Deficit) Account, Exhibit XIX		.....
13. Grand Total Expenditure Section		$.....

UTILITY INCOME AND EXPENDITURE ACCOUNT

Income and expenditures of utilities should be excluded from the general revenue and expenditure statement (Exhibit X on page 57), and a separate operating statement prepared for each, regardless of the method of financing operations or the method employed in the management and control of the enterprise. In other words, this procedure should be followed whether or not the operations are financed wholly or in part by the rates or charges to customers or through taxation by the municipality; and whether or not the utility is managed by a separate Board or Commission or under the direct control and management of the Municipal Council. Operations as referred to above include provision for debt retirement and interest on all debentures issued for utility purposes, as well as provision for depreciation and other fixed charges. Taxation as referred to above may be imposed in the form of a general rate applicable to the whole municipality, a special rate applicable to specific areas or sections of the municipality, or by means of frontage rates such as in the case of local improvement charges for watermains.

The explanations which follow apply particularly to a Water Supply System Income and Expenditure Account which is used as an illustrative example, but the general procedure will be the same for all other utilities for which draft statements are provided (Form 45 to 53 on pages 214 to 231). These statements should not be confused as representing cash receipts and payments (or disbursements). Income should include the total rates or charges to customers and other miscellaneous revenues for or applicable to the fiscal year, whether or not actually received in cash; and expenditures should include the total costs of maintenance and operation, as well as other charges for or applicable to the fiscal year, whether or not actually paid for in cash.

INCOME

Sale of Water

1. The total rates or charges to customers for water service for the fiscal year which should be classified according to the detail set out in the income and expenditure statement, and which for the most part will be found self-explanatory. It is pointed out, however, that item 14, *Public Authorities (Other than Own Municipality)*, is to include income from water service to federal and provincial government agencies and to agencies of other municipal governments; and item 15, *Own Municipality*, is to include only the income derived from the supply of water service to departments or branches of the local municipal organization, including schools and other utilities, etc.

The foregoing does not apply to hydrant rentals or charges to the municipality for public fire protection, or to income derived from the sale of water to other municipalities on a wholesale basis which in turn redistribute the water to local customers, both of which should be shown separately under item 16.

Miscellaneous Income

2. Income from miscellaneous sources, such as customers' forfeited discounts and penalties, servicing of customers' installations, and other miscellaneous items, such as for changing, connecting and disconnecting, and restoring services, and profits on the sale of materials and supplies.

Provided by Municipality from Tax Levy

3. Income from this source is complementary to and should be in agreement with the amount shown as an expenditure by the municipality under item 10 of Exhibit X on page 57. Such income arises from the fact that the municipality may provide out of general rates for all or part of the annual debt charges on debentures issued for utility purposes, or in some instances for a portion of the maintenance and operating expenses of the utility; and in some cases where the water service is provided only to customers residing within a specific or limited area of the municipality, the aforementioned amounts may be provided out of a special area rate. Irrespective of which situation applies, any such amounts included in the yearly tax levy should be included as income of the water utility. In addition the owners' share of any local improvement charges in respect of debentures issued for watermains or other water utility purposes should be included, inasmuch as the expenditures are to include the total debt charges on all debentures issued for water utility purposes.

4. The total income for the current fiscal year (items 1 to 3, inclusive).

Deficit for Year

5. The amount by which item 11 of the expenditures exceeds item 4 above.

6. The total of items 4 and 5.

EXPENDITURES

Maintenance and Operating Costs

1-8. The classification of items 1 to 7 provides for the distribution of maintenance and operating costs that is generally followed by both public and commercial utilities. It may be that some portion of the work or service involved in this regard may be performed by one or more of the municipal officials or departments along with their other duties, in which event an apportionment should be made, either on an actual or arbitrary basis, so as to charge the utility operations with a fair share of the expenditures.

Item 8 is for maintenance or operating expenses other than those included above, such as salaries and other expenses in connection with sales promotion. Also include in this item amounts paid or payable to the municipality in lieu of taxes for the current fiscal year; expenditures in this regard arise from the fact that in some provinces the property of utilities is exempt from taxation and voluntary contributions are made by the utility to the general revenues of the municipality.

In some instances it is permissible to provide for certain plant additions and other capital expenditures out of current year's income. Where this practice is followed, the amount of such capital expenditures during the current year should be included in the expenditure statement and shown separate under item 8.

9. Amounts provided as depreciation on utility plant and equipment and other fixed assets, *in addition to* provision for retirement of debentures issued for utility purposes, the latter of which is to be included in item 10 below. **Depreciation**

10. The gross amounts provided for interest, principal instalments and sinking fund requirements in respect of all debentures issued for utility purposes, each of which amounts should be shown separately as provided for in the statement. This would include such debt charges on debentures issued either by the utility itself direct or by the municipality on its behalf; the latter amounts should be in agreement with amounts included in item 9 of both the revenues and expenditures in Exhibit X (Form 10 on page 57). **Debenture Debt Charges**

11. The total expenditures for the current fiscal year (items 1 to 10 inclusive).

12. The amount by which item 4 of the income exceeds item 11 above. **Surplus for Year**

13. The total of items 11 and 12.

FORM 19

HOUSING BALANCE SHEET

Form 19

HOUSING BALANCE SHEET

As at..... .....19...
(Day) (Month)

ASSETS

1. Cash		$.....
2. Accounts and Rents Receivable	$.....	
Less: Reserve for Uncollectible Accounts and Rents Receivable—7(71)	.....	
Net Total		.....
3. Contracts Receivable	$.....	
Less: Reserve for Uncollectible Contracts Receivable—7(72)	.....	
Net Total		.....
4. Properties Repossessed	$.....	
Less: Reserve for Loss on Properties Repossessed—7(73)	.....	
Net Total		.....
5. Due from Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Other Assets: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Deficit—Exhibit XXII(H)		.....
Total Assets		$.....

HOUSING BALANCE SHEET

As at..... .....19...
(Day) (Month)

EXHIBIT XXI (H)

LIABILITIES

1. Bank Overdrafts		$.....
2. Temporary Loans		.....
3. Accounts Payable		.....
4. Due to Capital and Loan Funds (General Section) **for Debentures**		.....
5. Due to Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Other Liabilities: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Reserves—Other than deducted from Assets: (Specify)		
74.	$.....	
75.	.....	
Sub-Total		.....
8. Surplus—Exhibit XXII(H)		.....
Total Liabilities		$.....

HOUSING BALANCE SHEET

ASSETS

1. The balance of cash on hand or deposit, including imprest or petty cash funds. — **Cash**

2. Amounts due and owing by sundry persons, firms or corporations, other than governmental bodies, including unpaid rentals of properties repossessed. — **Accounts and Rents Receivable**

3. The balance of amounts owing under contract, mortgage, purchase agreement or other agreement of sale, by purchasers of housing properties. This item should reflect the total principal balance owing under all such contracts, including payments in arrears as well as interest thereon; but it should not include the capitalization of future interest payments due from purchasers on the basis of the original loan repayment schedule. (Although this latter account may be kept by some local authorities it should not be shown in the balance sheet.) — **Contracts Receivable**

4. The book value of properties repossessed from former purchasers by the local housing authority and which are available for re-sale or for occupancy on a rental basis until sold. — **Properties Repossessed**

5. Amounts due and owing by other funds of the municipality, including other local boards or commissions. *The name and amount owing by each other fund, local authority or activity should be shown separately in the balance sheet;* and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here. — **Due from Other Funds**

6. Assets other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. These would *include* deferred and prepaid charges (e.g., unexpired insurance premiums), and accrued items (e.g., revenues earned but not yet due, such as accrued interest on contracts receivable), as well as amounts due and owing by the *Dominion* or *Provincial Government*, or by *other municipalities.* — **Other Assets**

7. The amount by which the liabilities and reserves exceed the assets. — **Deficit**

LIABILITIES

1. The amount by which the housing bank account(s) are overdrawn; provided, however, that only the net position should be shown, including cash on hand and imprest or petty cash funds. — **Bank Overdrafts**

2. Amounts owing to banks or other sources as a result of *direct* borrowings by the housing authority for the purpose of temporary financing. *Do not include here borrowings or advances from the municipality or from other local authorities, or* — **Temporary Loans**

loans obtained by the municipality for and on behalf of the housing authority; these should be shown under item 5 below.

Accounts Payable

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies.

Due to Capital and Loan Funds for Debentures

4. The housing authority's obligation in respect of debentures issued for or on its behalf by the municipality, which represents an amount due to the *Capital and Loan Funds.* This liability should be shown at an amount equal to the unmatured debenture debt for housing purposes, unless sinking fund debentures were issued, when it should be shown at an amount equal to the net debenture debt (i.e., the outstanding debt less the sinking fund held by the municipality as explained on page 14 in connection with the corresponding asset of the Capital and Loan Funds). Amounts owing to the municipality (revenue fund) for *past due* debenture and interest payments should be shown under item 5 below.

Due to Other Funds

5. Amounts due and owing to other funds of the municipality, including other local boards or commissions. *The name and amount owing to each other fund, local authority or activity should be shown separately in the balance sheet;* and care should be taken to see that the assets of the other funds, etc., are in agreement with the amounts shown here.

Other Liabilities

6. Liabilities other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. These would *include* prepaid revenues (e.g., rents received or receivable in advance) and accrued items (e.g., accrued interest on loans, or accrued interest on debentures if such a practice is followed), as well as amounts due and owing to the *Dominion* or *Provincial Government,* or to *other municipalities.*

Reserves for :

Uncollectible Accounts and Rents Receivable

Uncollectible Contracts Receivable

Loss on Properties Repossessed

Other

7. The balance of amounts provided as reserves for losses due to the inability to collect or realize the full book value of housing assets or for other purposes relating to housing activities. For the most part these would consist of *Reserve for Uncollectible Accounts and Rents Receivable, Reserve for Uncollectible Contracts Receivable* and *Reserve for Loss on Properties Repossessed,* each of which should be kept separate and shown in the balance sheet as deductions from the relative assets to which they apply. Other reserves should also be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet.

Surplus

8. The amount by which the assets exceed the liabilities and reserves.

FORM 20

HOUSING

Surplus (Deficit) Account

HOUSING

Surplus (Deficit) Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT XXII (H)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year	$.....	$.....	
2. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
3. Balance After Above Adjustments			$.....
4. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
5. Surplus or Deficit for Year Under Review—Brought Forward from Housing Income and Expenditure Account, Exhibit XXIII (H)	.....	.....	
6. Surplus or Deficit Transferred to Revenue Fund (General Section) **During Year Under Review**—Carried Forward to Revenue and Expenditure Account, Exhibit X.....	.....	.....	
7. Balance of Surplus or Deficit at End of Year—Carried Forward to Housing Balance Sheet, Exhibit XXI (H)	.....	.....	$.....
8. Totals of Debit and Credit Columns.....	$.....	$.....	

HOUSING SURPLUS (DEFICIT) ACCOUNT

The purpose of this statement is to show the changes during the fiscal year in the housing surplus (or deficit); thus it actually represents an analysis, in condensed form, of the general ledger account.

1. The balance of the account at the beginning of the year, the amount of which would be shown in either the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years which should be summarized according to character and only the *net result of similar adjustments* shown in the statement.

3. Extend the balance of the account after giving effect to the adjustments shown under item 2.

4. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to revenue fund, which should be summarized according to character and only the *net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts, profits or losses on the sale of repossessed properties and other write-offs or adjustments relating to balance sheet accounts.

5. The surplus or deficit from operations for the current fiscal year as shown by the Income and Expenditure Account, Exhibit XXIII (H) (Form 21 on page 147).

6. The portion of the surplus or deficit for either the current or previous years which was transferred to Revenue Fund (General Section) during the current fiscal year. The amount shown here should agree with that included under items 8 or 10 of the revenues or expenditures, respectively, in Exhibit X (Form 10 on page 57).

7. The balance of the account at the close of the year should be extended opposite this item and in addition entered in either the debit or credit column, as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 7 of the assets or item 8 of the liabilities, as the case may be, in the Housing Balance Sheet, Exhibit XXI (H) (Form 19 on page 137).

FORM 21

HOUSING

Income and Expenditure Account

Form 21

HOUSING

Income and Expenditure Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

INCOME

1. **Interest on Contracts Receivable**		$.....
2. **Rentals**		.....
3. **Miscellaneous Income:** (Specify)		
31.	$.....	
32.	.....	
33.	.....	
	Sub-Total	.....
4. **Provided by Municipality from Tax Levy**		.....
5. **Total Income**		$.....
6. **Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XXII (H)**		.....
7. **Grand Total Income Section**		$.....

Explanatory Notes:

This statement will be found self-explanatory if considered in conjunction with the general explanations on page 133, relating to utility income and expenditure accounts. It should be noted, however, that amounts due from purchasers for the repayment of principal on account of their contracts, mortgages or purchase agreements, as the case may be, should not be included as income; and that principal instalments or sinking fund requirements in respect of debentures or other capital debt should not be included as expenditures. Such transactions represent the repayment of capital in both instances and accordingly affect only the balance sheet accounts.

HOUSING

Income and Expenditure Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT XXIII (H)

EXPENDITURE

1. Administration and General		$.....
2. Maintenance of Properties Repossessed		.....
3. Taxes on Properties Repossessed		.....
4. Other—Exclusive of Interest on Debentures or Other Capital Debt: (Specify)		
41.	$.....	
42.	.....	
43.	.....	
	Sub-Total	.....
5. Interest on Debentures or Other Capital Debt		.....
6. Total Expenditure		$.....
7. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit) Account, Exhibit XXII (H)		.....
8. Grand Total Expenditure Section		$.....

Similarly, any amounts provided by the municipality out of tax levies to meet the current year's cash deficiency in respect of principal requirements on capital borrowings should not be included as income. The total of any such advances out of revenue funds should be shown as a revenue fund asset and the amount provided out of revenue fund budget appropriations shown as a reserve against such advances, unless the amounts advanced are considered unrealizable and written off when a corresponding adjustment should be made in the housing balance sheet accounts (Debit—Due to Revenue Fund, and Credit—Reserve for Uncollectible Contracts Receivable) to bring the interfund accounts into balance.

FORM 22

CEMETERY BALANCE SHEET

Form 22

CEMETERY BALANCE SHEET

As at..... .....19...
(Day) (Month)

ASSETS

1. Cash			$.....
2. Accounts Receivable		$.....	
Less: Reserve for Uncollectible Accounts Receivable—7(71)		.....	
		Net Total	.....
3. Cemetery Plots Held for Sale			.....
4. General Fixed Assets:			
41. Land	$.....		
42. Buildings	.....		
43. Tools and Equipment	.....		
		Sub-Total	$.....
Less: Reserve for Depreciation—7(72)		.....	
		Net Total	.....
5. Due from Other Funds: (Specify)			
51.		$.....	
52.		.....	
53.		.....	
		Sub-Total	.....
6. Other Assets: (Specify)			
61.		$.....	
62.		.....	
63.		.....	
		Sub-Total	.....
7. Deficit—Exhibit XXV(C)			.....
Total Assets			$.....

CEMETERY BALANCE SHEET

As at ..... (Day) ..... (Month) .....19...

EXHIBIT XXIV (C)

LIABILITIES

1. Bank Overdrafts		$.....
2. Temporary Loans		.....
3. Accounts Payable		.....
4. Due to Capital and Loan Funds (General Section) **for Debentures**		.....
5. Due to Other Funds: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Other Liabilities: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Reserves—Other than Deducted from Assets: (Specify)		
73.	$.....	
74.	.....	
Sub-Total		.....
8. Surplus—Exhibit XXV(C)		
81. Capital Surplus	$.....	
82. Earned Surplus	.....	
Sub-Total		.....
Total Liabilities		$.....

CEMETERY BALANCE SHEET

Trust Funds held by the cemetery authorities, such as Perpetual Care Funds, Memorial or Endowment Funds, should not be shown in this balance sheet but included along with other trust funds in the hands of all local authorities of the municipal corporation in the Trust and Agency Funds Balance Sheet, Exhibit XVII (Form 15 on page 109).

ASSETS

1. The balance of cash on hand or deposit, including imprest or petty cash funds. **Cash**

2. Amounts due and owing by sundry persons, firms or corporations other than governmental bodies, including balances owing under term agreements covering sale of plots, crypts or space in columbariums. **Accounts Receivable**

3. The book value of cemetery burial plots, crypts in mausoleums or space in columbariums which are held for sale for purpose of interment. **Cemetery Plots Held for Sale**

4. Fixed or permanent assets of the cemetery, other than cemetery plots, etc., held for sale as referred to in item 3 above, which should be shown according to the detail classification in the balance sheet. Include as "land" the capitalized value of trees, shrubs, driveways and other landscaping; and include as "buildings" the capitalized value of the superstructure of mausoleums or crematoriums if such is not included in the cost of crypts or space held for sale. All such assets acquired through debenture issues, any part of which are still unmatured, should be shown at cost. Assets acquired through debenture issues which have matured or are fully repaid, and those acquired through revenue fund budget appropriations of the municipality, or through private donations or endowments, should be shown at inventory or appraised value. **General Fixed Assets**

5. Amounts due and owing by other funds of the municipality, including other local boards or commissions. *The name and amount owing by each other fund, local authority or activity, should be shown separately in the balance sheet;* and care should be taken to see that the liabilities of the other funds, etc., are in agreement with the amounts shown here. **Due from Other Funds**

6. Assets other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing by the *Dominion* or *Provincial Government* or by *other municipalities* should be included here. **Other Assets**

7. The amount by which the liabilities, reserves and capital surplus exceed the assets. **Deficit**

LIABILITIES

Bank Overdrafts

1. The amount by which the cemetery bank accounts are overdrawn; provided however, that only the net position of all such accounts should be shown, including cash on hand and imprest or petty cash funds.

Temporary Loans

2. Amounts owing to banks or other sources as a result of *direct* borrowings by the cemetery authority for the purpose of temporary financing. *Do not include here borrowings or advances from the municipality or from other local authorities, or loans obtained by the municipality for and on behalf of the cemetery authority;* such should be reported under item 5 below.

Accounts Payable

3. Amounts due and owing on open account to sundry persons, firms or corporations, other than governmental bodies.

Due to Capital and Loan Funds for Debentures

4. The cemetery authority's obligation in respect of debentures issued for or on its behalf by the municipality, which represents an amount due to the *Capital and Loan Funds.* The liability should be shown at an amount equal to the unmatured debenture debt for cemetery purposes, unless sinking fund debentures were issued, when it should be shown at an amount equal to the net debenture debt (i.e., the outstanding debt less the sinking fund held by the municipality as explained on page 14 in connection with the corresponding asset of the Capital and Loan Funds). Amounts owing to the municipality (revenue fund) for past due debenture and interest payments should be shown under item 5 below.

Due to Other Funds

5. Amounts due and owing to other funds of the municipality, including other local boards or commissions. *The name and amount owing to each other fund, local authority or activity should be shown separately in the balance sheet;* and care should be taken to see that the assets of the other funds, etc., are in agreement with the amounts shown here.

Other Liabilities

6. Liabilities other than those specifically provided for, the exact nature of which should be clearly indicated in the balance sheet. Amounts due and owing to the *Dominion* or *Provincial Government* or to *other municipalities,* should be included here.

Reserves for:

7. The balance of amounts provided as reserves for losses due to the inability to collect or realize the full book value of accounts receivable; for depreciation against general fixed assets; or for other purposes relating to cemetery activities. The *Reserve for Uncollectible Accounts Receivable* and *Reserve for Depreciation* should be shown in the balance sheet as deductions from the relative assets to which they apply. Other reserves should be kept separate and the exact nature or purpose of each clearly indicated in the balance sheet.

Uncollectible Accounts Receivable

Depreciation

The reserve for depreciation applies only to assets in respect of which debentures are still unmatured when it would represent an amount equal to the *proportion* of matured debenture principal applicable to such assets; or as applied to sinking fund debentures, it would correspondingly represent the *proportion* of the "reserve for retirement of sinking fund debentures" (actuarial requirements of the sinking fund) applicable to such assets. When the debentures have fully matured, the reserve should be transferred to Capital Surplus.

Surplus

8. The amount by which the assets exceed the liabilities and reserves which should be segregated between *Capital Surplus* and *Earned Surplus.* The former would include contributions, grants, donations or endowments towards the acquisition of cemetery properties, as well as transfers out of earned surplus for the same purpose in addition to transfers from depreciation reserve when debentures have fully matured, as referred to under item 7 above; the latter would include the balance of unappropriated surpluses arising from earnings or operations.

FORM 23

CEMETERY

Surplus (Deficit) Account

Form 23

CEMETERY

Surplus (Deficit) Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT XXV (C)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year	$.....	$.....	
2. Adjustments Affecting Operations of Previous Years: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
3. Balance after Above Adjustments			$.....
4. Other Transactions Affecting Surplus: (Specify)			
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
.....	.....	.....	
5. Surplus or Deficit for Year under Review — Brought Forward from Cemetery Income and Expenditure Account, Exhibit XXVI(C).....	.....	.....	
6. Surplus or Deficit Transferred to Revenue Fund (General Section) During Year Under Review —Carried Forward to Revenue and Expenditure Account, Exhibit X.....	.....	.....	
7. Balance of Surplus or Deficit at End of Year—Carried Forward to Cemetery Balance Sheet, Exhibit XXIV(C)....	.....	.....	$.....
8. Totals of Debit and Credit Columns.....	$.....	$.....	

CEMETERY SURPLUS (DEFICIT) ACCOUNT

The purpose of this statement is to show the changes during the fiscal year in the cemetery surplus (or deficit); thus it actually represents an analysis in condensed form of the general ledger account. Where capital and earned surplus are kept separate, it should apply only to the latter.

1. The balance of the account at the beginning of the year, the amount of which would be shown in either the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years, which should be summarized according to character and only the *net result of similar adjustments* shown in the statement.

3. Extend the balance of the account after giving effect to the adjustments shown under item 2.

4. Transactions affecting surplus, other than adjustments relating to operations of previous years or transfers to revenue fund, which should be summarized according to character and only the *net result of similar transactions* shown in the statement. These may be widely varied in character, such as transfers to or from reserve accounts and other adjustments or write-offs relating to balance sheet accounts.

5. The surplus or deficit from operations for the current fiscal year as shown by the Income and Expenditure Account, Exhibit XXVI (C) (Form 24 on page 163).

6. The portion of the surplus or deficit for either the current or previous years which was transferred to Revenue Fund (General Section) during the current fiscal year. The amount shown here should agree with that included under items 8 or 10 of the revenues or expenditures, respectively, in Exhibit X (Form 10 on page 57).

7. The balance of the account at the close of the year should be extended opposite this item and in addition entered in either the debit or credit column, as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 7 of the assets or 8(82) of the liabilities, as the case may be, in the Cemetery Balance Sheet, Exhibit XXIV (C) (Form 22 on page 151).

FORM 24

CEMETERY

Income and Expenditure Account

Form 24

CEMETERY

Income and Expenditure Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

INCOME

1. **Sale of Plots**		$.....
2. **Care of Plots**		.....
3. **Burial Charges or Fees**		.....
4. **Miscellaneous Income:** (Specify)		
41.	$.....	
42.	.....	
43.	.....	
	Sub-Total	.....
5. **Provided by Municipality from Tax Levy**		.....
6. **Total Income**		$.....
7. **Deficit for Year** (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XXV (C)		.....
8. **Grand Total Income Section**		$.....

Explanatory Notes:

Accounting procedure for transactions of larger cemetery authorities demands special consideration as compared with that for most municipal activities, particularly in respect of capital employed in the undertaking, assets acquired out of such funds and the extent to which proceeds from the sale of plots, etc., should be included as income in any one year. Officials of municipalities affected should be guided by available

CEMETERY

Income and Expenditure Account

For the Fiscal Year ended..... .....19...
(Day) (Month)

EXHIBIT XXVI (C)

EXPENDITURE

1. Administration and General		$.....
2. Maintenance and Care of Buildings, Plots and Grounds		.....
3. Other—Exclusive of Debenture Debt Charges: (Specify)		
31.	$.....	
32.	.....	
33.	.....	
Sub-Total		.....
4. Debenture Debt Charges:		
41. Interest	$.....	
42. Serial Debentures—Principal Instalments	.....	
43. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
5. Total Expenditure		$.....
6. Surplus for Year (Excess of Income over Expenditure)—Carried Forward to Surplus (Deficit) Account, Exhibit XXV (C)		.....
7. Grand Total Expenditure Section		$.....

texts on this subject, keeping in mind, however, the inter-fund relationship between the cemetery authority and the municipality proper. To the extent that it may apply to the smaller cemetery authorities, particularly those which have no capital debt, this statement will be found self-explanatory if considered in conjunction with the general explanations on page 133, relating to utility income and expenditure accounts.

GENERAL FIXED ASSETS
Land, Buildings, Plant and Equipment, and Municipal Improvements

As at..... .....19...
(Day) (Month)

SCHEDULE 1

Functional Classification (1)	Land (2)	Buildings (3)	Plant and Equipment (4)	Other (5)	Total (6)
1. General Government:					
11. Civic Offices	$.....	$.....	$.....	$.....	$.....
2. Protection to Persons and Property:					
21. Fire Department	.....	.....	.....	.....	.....
22. Police Department and Court Houses	.....	.....	.....	.....	.....
23. Goals and Other Corrective Institutions	.....	.....	.....	.....	.....
24. Street Lighting	.....	.....	.....	.....	.....
25. Pounds, Pest Control, Etc.	.....	.....	.....	.....	.....
3. Public Works:					
31. Workshops, Yards and Other Buildings	.....	.....	.....	.....	.....
32. Bridges				.....	.....
33. Drains and Ditches				.....	.....
34. Grade Separations				.....	.....
35. Sidewalks				.....	.....
36. Streets, Roads, Lanes and Alleys				.....	.....
37. Subways and Tunnels				.....	.....
38. Viaducts				.....	.....
39. Waterways, Breakwaters, Harbour Development				.....	.....
4. Sanitation and Waste Removal:					
41. Comfort Stations	.....	.....	.....	.....	.....
42. Garbage and Waste Collection and Disposal	.....	.....	.....	.....	.....
43. Sewers				.....	.....
44. Sewage Treatment and Disposal	.....	.....	.....	.....	.....
45. Street Cleaning and Flushing	.....	.....	.....	.....	.....
5. Health:					
51. Health Offices	.....	.....	.....	.....	.....
52. Clinics	.....	.....	.....	.....	.....
53. Laboratories	.....	.....	.....	.....	.....
54. Hospitals	.....	.....	.....	.....	.....
6. Social Welfare:					
61. Welfare Offices	.....	.....	.....	.....	.....
62. Charitable Institutions	.....	.....	.....	.....	.....
7. Recreation Services:					
71. Amusement Parks and Playgrounds	.....	.....	.....	.....	.....
72. Golf Courses	.....	.....	.....	.....	.....
73. Skating Rinks and Arenas	.....	.....	.....	.....	.....
74. Swimming Pools, Beaches and Baths	.....	.....	.....	.....	.....
75. Community Centres and Halls	.....	.....	.....	.....	.....
8. Community Services:					
81. Art Galleries	.....	.....	.....	.....	.....
82. Exhibitions and Fairs	.....	.....	.....	.....	.....
83. Libraries	.....	.....	.....	.....	.....
84. Markets	.....	.....	.....	.....	.....
85. Museums	.....	.....	.....	.....	.....
86. Parks	.....	.....	.....	.....	.....
87. Tourist Camps	.....	.....	.....	.....	.....
88. Weigh Scales	.....	.....	.....	.....	.....
9. Miscellaneous, N.O.P.: (Specify)					
91.	.....	.....	.....	.....	.....
92.	.....	.....	.....	.....	.....
93.	.....	.....	.....	.....	.....
Total General Fixed Assets— Item 1, Exhibit II	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 25)

This schedule shows the detail of general fixed assets in support of the corresponding item 1 of the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9). It is important that a record of all such assets of the municipality be maintained either in the general ledger accounts or by means of separate inventory records. This information also forms a very important and useful part of the annual financial report as it reflects the historical development of the municipality from the standpoint of providing facilities to meet the needs of the local citizenry.

The detail afforded by this schedule, which will be found self-explanatory, provides a two-way classification, namely, the functional use of the assets as well as the physical character. For the most part, these assets can be readily classified physically (i.e., as between land, buildings, equipment, etc.). Municipal improvements, such as items 32 to 39 and 43 actually indicate the physical nature of the assets, however, and thus should be shown in column (5).

DUE FROM OTHER MUNICIPALITIES FOR DEBENTURES ASSUMED

As at..... (Day) ..... (Month) .....19...

SCHEDULE 1 (a)

Classification of Debt Assumed (1)	Name of Municipality by which Assumed (2)	Gross Unmatured Debt Assumed			Reserve for Retirement of Sinking Fund Debentures (6)	Net Unmatured Debt Assumed (7)
		Serial Debentures (3)	Sinking Fund Debentures (4)	Total (5)		
1. General, Drainage, Local Improvements, or Schools: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total General, Drainage, Local Improvements, or Schools..	.....	$.....	$.....	$.....	$.....	$.....
2. Public Utilities and Other Municipal Enterprises: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total Public Utilities and Other Municipal Enterprises.....	.....	$.....	$.....	$.....	$.....	$.....
Total Due from Other Municipalities for DebenturesAssumed —Item 5, Exhibit II..	.....	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 26)

This schedule shows the detail of amounts due from other municipalities for debentures assumed, in support of the corresponding item 5 of the assets in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9). Such assumptions occur principally as a result of the annexation of territory or the joint undertaking of capital works, when the asset acquired out of the proceeds from the original issue of debentures is owned jointly by the municipality that issued the debentures and the municipality(s) that assumed or is responsible for a portion of the debt. Each municipality concerned should carry only its share of the capital undertaking as a general fixed asset; thus the municipality that issued the debentures should show an additional asset equivalent to the unmatured portion of the debt assumed by other municipalities, unless sinking fund debentures were issued when the asset would be represented by the portion of the debt assumed *less* the portion of the *reserve for retirement of sinking fund debentures* applicable thereto. (See explanation of column (6) below.) It will thus be seen that the asset appearing in the balance sheet should be represented by an amount equal to the total of column (3) or the total of column (7), depending on whether or not sinking fund debentures are involved.

Column (1)—The purpose for which the debentures were issued according to the debenture debt classification in Schedule 2 (Form 27 on page 170).

Column (2)—Name of the municipality which assumed the debt.

Column (3)—Amounts assumed in respect of debentures issued on the serial or instalment plan.

Column (4)—Amounts assumed in respect of debentures issued on the sinking fund plan.

Column (5)—The total of amounts shown in columns (3) and (4).

Column (6)—The portion of the *Reserve for Retirement of Sinking Fund Debentures* which stands to the credit of the portion of the sinking fund debentures assumed. (If 10% of a sinking fund debenture was assumed by another municipality, 10% of the "reserve" should be shown here.)

Column (7)—The difference between the amounts entered in columns (5) and (6), or in other words the net unmatured debt assumed (after deducting sinking funds applicable thereto).

ANALYSIS OF DEBENTURE DEBT

As at..... (Day) ..... (Month) .....19...

SCHEDULE 2

Debenture Debt Classification (1)	Gross Unmatured Debt (Excl. Unsold Debentures)			Reserve for Retirement of Sinking Fund Debentures (5)	Net Unmatured Debt (Excluding Unsold Debentures) (6)	Unsold Debentures	
	Serial Debentures (2)	Sinking Fund Debentures (3)	Total (4)			Serial Debentures (7)	Sinking Fund Debentures (8)
11. General:							
111. Capitalized Deficits	$.....	$.....	$.....	$.....	$.....	$.....	$.....
112. Direct (Unemployment) Relief	.....	.....	.....	.....	.....	.....	.....
113. Hospitals	.....	.....	.....	.....	.....	.....	.....
114. Libraries	.....	.....	.....	.....	.....	.....	.....
115. Parks and Playgrounds	.....	.....	.....	.....	.....	.....	.....
116. All Other General Debt	.....	.....	.....	.....	.....	.....	.....
12. Drainage (Other than General)	.....	.....	.....	.....	.....	.....	.....
13. Local Improvements:							
131. Municipality's Share	.....	.....	.....	.....	.....	.....	.....
132. Owners' Share	.....	.....	.....	.....	.....	.....	.....
14. Schools:							
141. Elementary—							
1411. Public School	.....	.....	.....	.....	.....	.....	.....
1412. Continuation School	.....	.....	.....	.....	.....	.....	.....
1413. Separate School	.....	.....	.....	.....	.....	.....	.....
142. Secondary—High School and Collegiate	.....	.....	.....	.....	.....	.....	.....
143. Technical or Vocational	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....
15. Public Utilities and Other Municipal Enterprises:							
151. Water Supply System	$.....	$.....	$.....	$.....	$.....	$.....	$.....
152. Electric Light and Power	.....	.....	.....	.....	.....	.....	.....
153. Gas Supply System	.....	.....	.....	.....	.....	.....	.....
154. Street Railway	.....	.....	.....	.....	.....	.....	.....
155. Bus Lines	.....	.....	.....	.....	.....	.....	.....
156. Telephone System	.....	.....	.....	.....	.....	.....	.....
157. Central Heating	.....	.....	.....	.....	.....	.....	.....
158. Ferries	.....	.....	.....	.....	.....	.....	.....
159. Other Public Utilities: (Specify)							
1591. Airport	.....	.....	.....	.....	.....	.....	.....
1592.	.....	.....	.....	.....	.....	.....	.....
1593.	.....	.....	.....	.....	.....	.....	.....
160. Housing	.....	.....	.....	.....	.....	.....	.....
161. Cemeteries	.....	.....	.....	.....	.....	.....	.....
162. Other Municipal Enterprises: (Specify)							
1621.	.....	.....	.....	.....	.....	.....	.....
1622.	.....	.....	.....	.....	.....	.....	.....
1623.	.....	.....	.....	.....	.....	.....	.....
Total Public Utilities and Other Muncipal Enterprises	$.....	$.....	$.....	$.....	$.....	$.....	$.....
Grand Total Debenture Debt— Item 1, Exibit II	$.....	$.....	$.....	$.....	$.....	$.....	$.....

Sinking Fund Surplus or Deficit .....

Total Sinking Fund..... $.....

Explanatory Notes: (Form 27)

This statement shows, in condensed form, an analysis of the debenture debt in support of the corresponding item 1 of the liabilities in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9).

Column (1)—The classification of the debt on the basis of which the analysis should be made.

Column (2)—*Gross* unmatured debt represented by serial debentures, exclusive of any unsold.

Column (3)—*Gross* unmatured debt represented by sinking fund debentures, exclusive of any unsold.

Column (4)—The total of amounts entered in columns (2) and (3). The amounts appearing in this column and the total thereof should be in agreement with the corresponding amounts shown under item 1 of the liabilities in the Capital and Loan Funds Balance Sheet (Form 2 on page 9).

Column (5)—The actuarial requirements of sinking funds in respect of debentures shown in column (3) or in other words the same amounts as are shown under item 1 of the liabilities in the Sinking Fund Balance Sheet, Exhibit IV (Form 4 on page 21). Do not include here opposite individual or total items the surplus or deficit in the sinking fund; this should be shown below the *Grand Total* at the bottom of the statement and added only to the *Grand Total* to show the *Total Sinking Fund.*

Column (6)—The difference between the amounts entered in columns (4) and (5) or in other words the net unmatured debt, after deducting sinking funds.

Columns (7) and (8)—These are for memorandum purposes only with respect to unsold debentures. Although such are excluded from the debt figures it is important that they be reported. Serial debentures should be kept separate from sinking fund debentures and shown in the respective columns for each.

CURRENCY OF PAYMENT OF DEBENTURE DEBT

As at..... .....19...
(Day) (Month)

SCHEDULE 2 (a)

Payable In	
1. Canada Only	$.....
2. London (England) Only	.....
3. London (England) and Canada	.....
4. New York Only	.....
5. New York and Canada	.....
6. London (England), New York and Canada	.....
7. Other: (Specify)	
.....	.....
.....	.....
Total Unmatured Debenture Debt as per Schedule 2	$.....

NOTE:—This statement is required only if any debentures are payable in other that Canadian Funds.

Explanatory Notes:

This schedule shows the currency of payment of the *unmatured* debenture debt, or in other words the portion of the debt payable in Canadian funds only as well as that payable, at the option of the holder or otherwise, in funds of other countries. Principal only should be included in this statement; the total should be in agreement with the gross unmatured debenture debt as shown by column (4) of Schedule 2 (Form 27 on page 170).

AVERAGE RATE OF INTEREST PAYABLE ON UNMATURED DEBENTURE DEBT

As at..... .....19...
(Day) (Month)

SCHEDULE 3

Rate of Interest % (1)	Amount of Debt Unmatured (2)	Annual Interest Extended (3)
Nil	$	$
1		
1¼		
1½		
1¾		
2		
2¼		
2½		
2¾		
3		
3¼		
3½		
3¾		
4		
4¼		
4½		
4¾		
5		
5¼		
5½		
5¾		
6		
Other		
Total	$	$

Average Rate of Interest Payable on Unmatured Debenture Debt.....%

Explanatory Notes:

This schedule provides an analysis of the unmatured debenture debt according to interest coupon rates and enables a calculation to be made of the average rate of interest payable on the total debt.

Column (1)—The various rates of interest on the basis of which the analysis of the unmatured debt should be made. Interest rates not specifically mentioned should be shown under "Other".

Column (2)—The amount of debt unmatured on which interest is payable at the respective rates shown in column (1). The unmatured balance of any issued carrying multiple interest rates should be broken by interest rates and the amount of principal bearing each rate shown in the proper line.

Column (3)—The amount of one year's interest on each amount of unmatured debt shown in column (2) at the respective rate of interest applicable thereto.

The total of column (2) should be in agreement with the gross unmatured debenture debt as shown by column (4) of Schedule 2 (Form 27 on page 170).

The Average Rate of Interest Payable on the Unmatured Debenture Debt is obtained by dividing the *total annual interest* by the *total debt unmatured.*

ANALYSIS OF FUTURE DEBENTURE DEBT CHARGES BY YEARS

(Principal or Sinking Fund Requirements and Interest)

and

FUTURE PRINCIPAL MATURITIES OF SINKING FUND DEBENTURES

As at..... (Day) ..... (Month) 19...

SCHEDULE 4

Analysis by Years (1)	Serial Debentures		Sinking Fund Debentures		Total		Principal Maturities of Sinking Fund Debentures (8)
	Principal (2)	Interest (3)	Sinking Fund Requirements (4)	Interest (5)	Principal and Sinking Fund Requirements (6)	Interest (7)	
1. General, Drainage, Local Improvements and Schools							
19....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19.... to Maturity	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....
2. Public Utilities and Other Municipal Enterprises							
19....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19.... to Maturity	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....
3. Total							
19....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19....	.....	.....	.....	.....	.....	.....	.....
19.... to Maturity	.....	.....	.....	.....	.....	.....	.....
Grand Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 30)

The purpose of this statement is to show the future principal or sinking fund requirements and interest in respect of the unmatured debenture debt at the close of the year under review, and in addition, the principal maturities of sinking fund debentures. The amounts required for debt retirement and interest in each of the next succeeding five years following the fiscal year under review and the total for the sixth and following years to maturity of the debt, are to be shown separately.

Column (1)—The basis on which the analysis is to be made:
- Item 1—The amounts required for the years in question in respect of debentures issued for general purposes, drainage, local improvements and schools.
- Item 2—The amounts required for the years in question in respect of debentures issued for utility and other municipal enterprise purposes.
- Item 3—The total of amounts included in sections 1 and 2 for each of the years or periods in question.

Columns (2) and (3)—The amount of *principal* and *interest*, respectively, on serial debentures falling due (or maturing) in each of the years or periods in question.

Columns (4) and (5)—The amount of *sinking fund requirements* and *interest*, respectively, on sinking fund debentures for each of the years or periods in question.

Columns (6) and (7)—The total of amounts entered in columns (2) and (4), and (3) and (5), respectively, for each of the years or periods in question.

Column (8)—The amount of principal of sinking fund debentures falling due (or maturing) in each of the years or periods in question.

It will be noted that the total of columns (2) and (8) represents the total amount of the unmatured debenture debt at the close of the year under review, and should be in agreement with the Total of column (4) of Schedule 2 (Form 27 on page 170).

Form 31

CURRENCY OF PAYMENT OF FUTURE DEBENTURE PAYMENTS AND INTEREST COUPONS (COMBINED)

As at..... .....19...
(Day) (Month)

SCHEDULE 4 (a)

Amount Payable In	19.....	19.....	19.....	19.....	19.....	19..... To Maturity	Total
1. Canada Only	$.....	$.....	$.....	$.....	$.....	$.....	$.....
2. London (England) Only	.....	.....	.....	.....	.....	.....	.....
3. London (England) and Canada	.....	.....	.....	.....	.....	.....	.....
4. New York Only	.....	.....	.....	.....	.....	.....	.....
5. New York and Canada	.....	.....	.....	.....	.....	.....	.....
6. London (England), New York and Canada	.....	.....	.....	.....	.....	.....	.....
7. Other: (Specify)							
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....

NOTE—This statement is required only if any debentures or interest coupons are payable in other than Canadian Funds.

Explanatory Notes:

This schedule shows the currency of payment of debenture principal and interest falling due and payable in each of the next succeeding five years following the fiscal year under review, and the total for the sixth and following years to maturity of the debt. In other words, it shows the portion of principal and interest payable in Canadian funds only as well as that payable, at the option of the holder or otherwise, in funds of other countries. Annual sinking fund requirements are *not* to be included in this statement. It will thus be seen that the total for each year or period in question should equal the combined total of amounts for corresponding years shown in columns (2), (3), (5), and (8) under item 3 of Schedule 4 (Form 30 on page 174).

DUE TO OTHER MUNICIPALITIES FOR DEBENTURES ASSUMED

As at..... (Day) ..... (Month) .....19...

SCHEDULE 4 (b)

Classification of Debt Assumed (1)	Name of Municipality from which Assumed (2)	Gross Unmatured Debt Assumed			Reserve for Retirement of Sinking Fund Debentures (6)	Net Unmatured Debt Assumed (7)
		Serial Debentures (3)	Sinking Fund Debentures (4)	Total (5)		
1. General, Drainage, Local Improvements, or Schools: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total General, Drainage, Local Improvements, or Schools		$.....	$.....	$.....	$.....	$.....
2. Public Utilities and Other Municipal Enterprises: (Specify)						
.....	.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
Total Public Utilities and Other Municipal Enterprises.....		$.....	$.....	$.....	$.....	$.....
Total Due to Other Municipalities for Debentures Assumed — Item 2, Exhibit II.....		$.....	$	$.....	$.....	$.....

Explanatory Notes: (Form 32)

This schedule shows the detail of amounts due to other municipalties for debentures assumed, in support of the corresponding item 2 of the liabilities in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9). While the municipality that issued the debentures shows the total debt as a liability, such being incurred in its name, the municipality(s) that assumed or is responsible for a portion of the debt should also show its share as a liability in order to reflect a true capital indebtedness on the same basis as if its own debentures were issued in the first instance. It will thus be seen that the liability appearing in the balance sheet should be shown at an amount equal to the total of column (3), or column (5), depending on whether or not sinking fund debentures are involved. If sinking fund debentures were assumed, the sinking fund balance sheet should show an asset for the amount held by the issuing municipality to the credit of the portion of the debt assumed, with a corresponding amount as the *reserve for retirement of sinking fund debentures* under the liabilities, which should be in agreement with the amounts shown in column (6) of this statement. (The asset and relative reserve accounts, if any, in respect of any such assumed liability should be set up and treated in the Capital and Loan Funds Balance Sheet on the same basis as if debentures were actually issued.)

Column (1)—The purpose for which the debentures were issued according to the debenture debt classification in Schedule 2 (Form 27 on page 170).
Column (2)—Name of the municipality from which the debt was assumed.
Column (3)—Amounts assumed in respect of debentures issued on the serial or instalment plan.
Column (4)—Amounts assumed in respect of debentures issued on the sinking fund plan.
Column (5)—The total of amounts shown in columns (3) and (4).
Column (6)—The portion of the *Reserve for Retirement of Sinking Fund Debentures* which stands to the credit of the portion of the sinking fund debentures assumed. (If 10% of a sinking fund debenture was assumed from another municipality, 10% of the "reserve" should be shown here.)
Column (7)—The difference between the amounts entered in columns (5) and (6) or in other words the net unmatured debt assumed (after deducting the sinking fund reserve applicable thereto).

AVERAGE RATE OF INTEREST PAYABLE ON UNMATURED DEBENTURES ASSUMED FROM OTHER MUNICIPALITIES

SCHEDULE 4 (c)

ANALYSIS OF FUTURE DEBT CHARGES BY YEARS (Principal or Sinking Fund Requirements and Interest)

and

FUTURE PRINCIPAL MATURITIES OF SINKING FUND DEBENTURES ON DEBENTURES ASSUMED FROM OTHER MUNICIPALITIES

SCHEDULE 4 (d)

These two schedules should also be prepared and included in the report wherever applicable. The form and content of each should be the same as Schedule 3 (Form 29 on page 173), and Schedule 4 (Form 30 on page 174), respectively.

In the case of Schedule 4(*c*) the interest rates used should be the coupon rates on the debentures as issued by the *other* municipality; and in the case of Schedule 4(*d*) the amounts of principal, interest, and sinking fund requirements should be shown at the relative proportion of the total annual requirements on account of the debentures issued by the *other* municipality. (If 10% of a debenture was assumed from another municipality, 10% of the total annual principal, interest, or sinking fund requirements should be shown in this statement.)

SUMMARY OF TAX (OR RATE) ROLL FOR THE YEAR 19....

SCHEDULE 5

Analysis of Levy (1)	Net Requirements exclusive of Provision for Debenture Debt Charges (2)	Net Requirements for Debenture Debt Charges (3)	Total Levy (4)
1. Taxes Levied for—			
11. Municipal Purposes:			
111. General Expenditures	$.....	$.....	$.....
12. School Purposes:			
121. Public School	.....	.....	.....
122. Continuation School	.....	.....	.....
123. Separate School	.....	.....	.....
124. Secondary-High School and Collegiate	.....	.....	.....
125. Technical or Vocational School	.....	.....	.....
13. Direct Charges for Debentures:			
131. Local Improvements (Owners' Share only)	.....	.....	.....
132. Tile Drainage	.....	.....	.....
133. Other: (Specify)			
1331.	.....	.....	.....
1332.	.....	.....	.....
1333.	.....	.....	.....
2. Total Taxation Revenue	$.....	$.....	$.....
3. Charges or Taxes Placed on Tax (or Rate) Roll for Collection—			
31. Commuted Statute Labour	$.....	$.....	$.....
32. Dog Tax	.....	.....	.....
33. Municipal Telephone	.....	.....	.....
34. Utility Rates Arrears	.....	.....	.....
35. Weed Cutting	.....	.....	.....
36. Other: (Specify)			
361.	.....	.....	.....
362.	.....	.....	.....
363.	.....	.....	.....
4. Total Charges on Tax (or Rate) Roll for Collection	$.....	$.....	$.....
5. Total Taxes Receivable—in respect of Current Year's Levies or Charges			$.....
6. Prior Years' Assets Added to Current Roll—			
61. Arrears of Taxes			.....
62. Seed Grain Loans			.....
63. Other: (Specify)			
631.			.....
7. Total Face Amount of Tax (or Rate) Roll			$.....

Explanatory Notes: (Form 33)

This schedule shows the detail, in condensed form, of the total taxes levied for the year under review as well as other amounts placed on the yearly tax (or rate) roll for collection. Column (1) shows the purpose for which the taxes were levied on the basis of which the analysis should be made. Column (2) represents the net budgeted requirements (exclusive of debt charges) for the year under review (i.e., after deducting grants and other revenues from miscellaneous sources). Column (3) represents the net budgeted requirements for debenture debt charges after deducting recoverables, and applies only to debentures issued by the municipality (it does not apply to debentures issued by local school authorities direct for which the municipality levies and collects the taxes). Column(4) represents the total of columns (2) and (3) or the total taxes levied for the year under review.

Item 1 (11)—The total taxes levied for municipal purposes. While the statutes may require that certain amounts must be provided by a special rate in addition to the general municipal rate, such as for County Rates in Ontario, Municipal Commissioner's Levy in Manitoba, Medical Care District (Hospital) Levy in Manitoba when levied at an annual rate on assessed values of ratable property, or Union Hospital District Levy in Saskatchewan, these levies are to all intents for general municipal purposes and should be shown accordingly in this statement. See also instructions in this regard in Appendix "A" wherever applicable.

Item 1 (12)—The total taxes levied for School Purposes. The amount shown in columns (2) and (3) should correspond with the amount shown as expenditures under items 7 and 9, respectively, in Exhibit X (Form 10 on page 57). See explanation in this regard on pages 86 and 87.

Item 1 (13)—Direct charges on the yearly tax (or rate) roll for debentures such as Local Improvement Frontage Rates—Owners' Share, and charges for Tile Drainage debentures in Ontario.

Item 2 —The total of items 1 (11 to 13 inclusive) which represents the total credit to Taxation Revenue for the year under review.

Item 3 —Charges or taxes placed on the yearly tax (or rate) roll for collection. In addition to those specifically mentioned in the statement, the following should also be included:

Nova Scotia —Curb and Gutter, Sewer and Sidewalk Rates [if included in yearly tax (or rate) roll].

Quebec —Municipal Mutual Insurance Company Levies.

Manitoba —Greater Winnipeg Sanitary District Levy [if included in yearly tax (or rate) roll].

Saskatchewan —Hail Insurance Tax Levy; Public Revenue Tax Levy; Wild Lands Tax Levy. [Telephone Tax Levy would be shown in item 3 (33).]

Alberta —Educational Tax Levy; Hospital Tax Levy.

British Columbia —Dyking, Drainage or Improvement District Tax Levy.

Item 4 —The total of items 3 (31 to 36 inclusive).

Item 5 —The total of items 2 and 4 which represents the total of taxes receivable for the year under review, and should correspond with the amount shown for item 2 in Schedule 6 (Form 34 on page 180).

Item 6 —Prior years' assets added to the current tax (or rate) roll, such as Arrears of Taxes or Seed Grain Loans. Amounts of this nature on the roll do not form part of either taxation revenue or taxes receivable. Hence, collections on that account should be kept separate from the current year's tax collections reported under item 6 in Schedule 6 (Form 34 on page 180).

Item 7 —The total of items 5 and 6 which represents the grand total of all amounts included in the yearly tax (or rate) roll.

TAXES RECEIVABLE

As at..... .....19...
(Day) (Month)

SCHEDULE 6

Detail (1)	Total (2)	Current Year's Levy 19.... (3)	Prior Years' Arrears 19.... (4)	19.... (5)	19.. & Prior (6)
1. Balance January 1, 19.... (Including Penalties and Interest) ..	$.....	$.....	$.....	$.....	$.....
2. Current Year's Levy.....	.....	.....	.....	.....	.....
3. Penalties or Interest Added	.....	.....	.....	.....	.....
4. Other: (Specify)	.....	.....	.....	.....	.....
5. Total Debits	$.....	$.....	$.....	$.....	$.....
6. Tax Collections—					
61. Cash (Taxes only)	$.....	$.....	$.....	$.....	$.....
62. Discounts Allowed	.....	.....	.....	.....	.....
63. Penalties or Interest.....	.....	.....	.....	.....	.....
7. Total Collections.....	$.....	$.....	$.....	$.....	$.....
8. Transferred to Tax Sale Account.	.....	.....	.....	.....	.....
9. Transferred to Tax Arrears Agreements......	.....	.....	.....	.....	.....
10. Adjustments re: Cancellations or Reductions, etc......	.....	.....	.....	.....	.....
11. Other: (Specify)	.....	.....	.....	.....	.....
12. Total Credits	$.....	$.....	$.....	$.....	$.....
13. Balance December 31, 19 Item 10, Exhibit VIII.	$.....	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 34)

This schedule shows details of transactions relating to *current* and *arrears of taxes* during the year under review and supports the corresponding items 10(101) and (102) in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). Column (1) shows the detail on the basis of which the analysis should be made, the various items of which are explained below. Column (2) is for the totals of transactions relating to both current and arrears of taxes combined which are obtained by adding together the amounts entered opposite each item of the detail in columns (3), (4), (5), and (6). Column (3) is for the detail of transactions relating to the current year's levy and columns (4), (5), and (6) are for details relating to prior years' arrears, respectively.

Item 1 —Tax arrears outstanding, including penalties and interest, at the beginning of the year.

Item 2 —Taxes levied for the year under review. This should agree with the Total Taxes Receivable as shown in Schedule 5 (Form 33 on page 178).

Item 3 —Amount added, charged or accrued during the year under review (whether or not collected), in respect of penalties that may be added by by-law of the municipality, or in respect of interest or penalties that are specifically required to be added by statute.

Item 4 —Use only if necessary as in case of arrears on properties previously transferred to tax sale account which were not sold or purchased by the municipality either at the original or adjourned sale, which would necessitate the transfer of such arrears back to the taxes receivable ledgers.

Item 5 —Total of items 1, 2, 3 and 4.

Item 6 (61)—Actual cash collected during the year under review on account of both current and arrears of taxes, but excluding penalties or interest thereon collected, which should be shown under item 6 (63) below.

Item 6 (62)—Discounts allowed during the year under review for either the prepayment or prompt payment of *current taxes.* If any discounts are allowed on account of prior years' arrears such should be shown under item 11 below.

Item 6 (63)—Actual cash collected during the year on account of penalties or interest in respect of both current and arrears of taxes.

Item 7 —Total of items 6 (61), (62) and (63).

Item 8 —Taxes, including penalties or interest, which were transferred to tax sale account, in respect of properties included in the tax sale for the current year. See complementary item 1 in section (b) of Schedule 9 (Form 37 on page 184).

Item 9 —Taxes, including penalties or interest, which were transferred during the year under review to tax arrears agreements, or what are known and referred to in some provinces as "tax consolidation" accounts. See complementary item 2 of Schedule 7 (Form 35 on page 182).

Item 10 —Reductions or cancellations during the year under review in respect of both current and arrears of taxes.

Item 11 —Other credits to taxes receivable accounts, such as discounts allowed on account of prior years' arrears, as referred to above.

Item 12 —Total of items 7, 8, 9, 10, and 11.

Item 13 —The difference between the total debits and the total credits as shown for items 5 and 12 respectively, which represents the amount of taxes outstanding, including penalties and interest thereon, at the close of the year. The amount shown for this item in column (2) should be in agreement with the total of items 10(101) and (102) of the assets in the Revenue Fund Balance Sheet (Form 8 on page 41).

TAX ARREARS AGREEMENTS

As at..... .....19...
(Day) (Month)

SCHEDULE 7

1. Balance January 1, 19..	$.....	
2. Transferred from Taxes Receivable	.....	
3. Penalties or Interest Added	.....	
4. Other: (Specify)		
.....	.....	
.....	.....	
5. Total Debits		$.....
6. Collections	$.....	
7. Adjustments re: Cancellations or Reductions, etc.	.....	
8. Other: (Specify)		
.....	.....	
.....	.....	
9. Total Credits		.....
10. Balance December 31, 19.., Item 10, Exhibit VIII		$.....

PROPERTY ACQUIRED FOR TAXES

As at..... .....19...
(Day) (Month)

SCHEDULE 8

(a) Subject to Redemption		(b) Deeded to Municipality	
1. Balance January 1, 19	$.....	1. Balance January 1, 19	$.....
2. Purchased at Tax Sale During Year	.....	2. Deeded During Year	.....
		3. Other: (Specify)	
3. Total Debits	$.....	.....	.....
		4. Total Debits	$.....
4. Redemptions	$.....		
5. Returned to Taxes Receivable or Agreements	.....	5. Sales of Property	.....
		6. Other: (Specify)	
6. Deeded to Municipality	.....	.....	.....
7. Total Credits	$.....	7. Total Credits	$.....
8. Balance December 31, 19 Item 11, Exhibit VIII	$.....	8. Balance December 31, 19 Item 11, Exhibit VIII	$.....

Total of Items (*a*) 8 and (*b*) 8 $.....

Explanatory Notes: (Form 35)

This schedule shows details of transactions relating to amounts outstanding under agreements that have been entered into for the consolidation of tax arrears, in support of the corresponding item 10(103) in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). The transactions reflecting changes in this account during the year are, for the most part, the same as those reflecting changes in taxes receivable accounts. Hence the instructions on page 181 relating to the latter should be referred to in conjunction with the preparation of this schedule. In some instances it is not possible to separate principal and interest payments under such consolidation agreements; thus item 6 above would include the total "cash" collections. Any discounts allowed, however, should be shown under item 8. *Do not include in this statement any transactions relating to amounts outstanding under agreements arising from the sale of municipally-owned property, as shown under item* 3 (32) *of the Revenue Fund Balance Sheet.*

Explanatory Notes: (Form 36)

This schedule shows details of transactions relating to properties acquired by the municipality at tax sales (for tax certificate registration) or other similar procedure in any province for the same purpose, in support of item 11 in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). The two sections of the schedule refer (*a*) to those properties which are still subject to redemption by the former owners or other interested parties and (*b*) to those properties for which the period of redemption has expired and title is vested in the name of the municipality. All properties in the latter category should be included in this section of the schedule, even though the tax title deeds have not actually been executed or registered by the municipality.

(*a*) *Subject to Redemption*

Item 1—Taxes and other charges against properties purchased by the municipality at tax sale(s) held during the previous year, in respect of which the period of redemption extends into the current year.

Item 2—Taxes and other charges against properties purchased by the municipality at tax sale(s) held during the current year. See complementary items 4 and 7 in sections (*a*) and (*b*) respectively of Schedule 9 (Form 37 on page 184).

Item 3—Total of items 1 and 2.

Item 4—Redemptions during the current year, in respect of properties included in items 1 or 2 above.

Item 5—Taxes and other charges returned to taxes receivable or agreements, as the case may be, in respect of properties for which redemption from tax sale is arranged by instalments, wherever such is permissible.

Item 6—Amount against properties included in items 1 or 2 above, for which the period of redemption expired during the current year. These properties are to be transferred to section (*b*) of this statement (item 2) even though, as previously noted, the deeds have not actually been executed or registered.

Item 7—Total of items 4, 5 and 6.

Item 8—The difference between the total debits and the total credits as shown by items 3 and 7, respectively, which represents the balance of amounts against properties purchased at tax sale(s) during the current year, in respect of which the period of redemption extends to a date in the next succeeding year.

(*b*) *Deeded to Municipality*

Item 1—Book value at the beginning of the year of properties acquired by the municipality at tax sale(s) held in previous years, in respect of which the period of redemption has expired.

Item 2—Amount transferred from section (*a*) of this statement. See item 6 of section (*a*) and notes above in this respect.

Item 3—Use only if necessary, such as in case of total proceeds from the sale of properties amounting to more than the purchase price (taxes plus costs at tax sale) or other book value of the properties sold, in which event the amount of the excess represents a profit to be transferred to surplus or reserve account, or otherwise disposed of. The total proceeds from sales would, in the first instance, be shown under item 5 below; thus to balance or close out the property ledger account, a transfer of the profit realized must be made as referred to above.

Item 4—Total of items 1, 2 and 3.

Item 5—Selling price of all properties sold by the municipality during the current year, whether at a profit or loss in relation to the purchase price or other book value.

Item 6—Complementary to item 3 above, except that it should include net total losses arising from the sale of properties; and in addition other net adjustments such as for revaluation of properties.

Item 7—Total of items 5 and 6.

Item 8—The difference between the total debits and the total credits as shown by items 4 and 7, respectively, which represents the book value at the close of the year of such properties still held by the municipality.

Items (*a*) 8 and (*b*) 8 should be in agreement with items 11(111) and (112) respectively, of the assets in the Revenue Fund Balance Sheet (Form 8 on page 41).

TAX SALE ACCOUNT

As at..... .....19...
(Day) (Month)

SCHEDULE 9

(a) Adjourned Sale of Previous Year (if any)		(b) Tax Sale of Current Year	
1. Balance January 1, 19.....	$.....	1. Transferred from Taxes Receivable.....	$.....
2. Sales to Public.....	$.....	2. Costs or Fees Added.....	.....
3. Taxes not realized on Sales to Public.....	.....	3. Other: (Specify)	.....
4. Purchased by Municipality.....	.....	4. Total Debits.....	$.....
5. Total Credits.....	$.....	5. Sales to Public.....	$.....
6. Balance Returned to Taxes Receivable.....	$.....	6. Taxes Not Realized on Sales to Public.....	.....
or		7. Purchased by Municipality.....	.....
7. Balance December 31, 19.... (If adjourned to Following Year).	$.....	8. Total Credits.....	$.....
		9. Balance Returned to Taxes Receivable.....	$.....
		or	
		10. Balance December 31, 19.... (If adjourned to Following Year)	$.....

Explanatory Notes:

This schedule shows details of transactions relating to tax sale(s) held during the current year, and would be in support of the corresponding asset, if any, carried forward which would be included under item 14 of the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

Part (*a*) of the schedule applies to the tax sale of the previous year only if adjourned to the current year and shows the disposition of the properties included in the adjourned sale. For the most part it will be found self-explanatory. It should be noted, however, that when properties are sold for less than the total of taxes, costs, etc., the amount *not* realized should be written off as a direct loss arising from the tax sale and the credit to tax sale account shown here under item 3. Also, it should further be noted that if a tax sale cannot be adjourned a second time and if any properties are not sold at the first adjourned sale or purchased by the municipality thereat, the taxes in respect of such properties should be returned to taxes receivable account, under which circumstances item 6 of this statement would be used. See complementary item 4 of Schedule 6 (Form 34 on page 180). If, however, it is permissible, and a tax sale is readjourned, the balance should be carried forward to the next year and shown accordingly under item 7 of this statement.

Part (*b*) applies only to the tax sale of the current year and will be found self-explanatory in its entirety if considered along with the explanations given above and with those on pages 181 and 183 relating to Schedules 6 and 8, respectively. If the sale is adjourned to a date within the current year, sufficient detail is provided to show the results of both the original and adjourned sales. Hence, all transactions relating to the one or both sales, as the case may be, should be summarized according to the detail shown.

ANALYSIS OF DEBENTURE DEBT CHARGES RECOVERABLE

For the Fiscal Year ended..... .....19...
(Day) (Month)

SCHEDULE 10

Recoverable from (1)	Debt Classification (2)	Interest (3)	Serial Debentures—Principal Instalments (4)	Sinking Fund Debentures—Sinking Fund Requirements (5)	Total Debenture Debt Charges Recoverable (6)
1. Other Municipalities: (Specify)					
.....	.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
2. Private Persons, Firms or Corporations: (Specify)					
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
3. Sub-Total.....		$.....	$.....	$.....	$.....
4. Public Utilities and Other Municipal Enterprises— Total as per Schedule 11.....		.....	.....	.....	.....
5. Total Debt Charges Recoverable—Item 9, Exhibit X.....		$.....	$.....	$.....	$.....

Explanatory Notes:

This schedule shows the detail in support of item 9 of the Revenues, Exhibit X (Form 10 on page 57) and will be found self-explanatory, for the most part, if considered in conjunction with the explanations on page 71 relating thereto. The total debenture debt charges are to be shown in Schedule 11 (Form 39 on page 186) and this statement is provided to show the portion thereof recoverable from other municipalities, persons, firms or private corporations as well as the total recoverable from utilities and other municipal enterprises (housing, cemeteries, etc.).

Column (1)—The source from which the debt charges are recoverable.

Column (2)—The purpose for which the debentures were issued according to the debenture debt classification (see Schedule 11 on page 186) which applies only to items 1 and 2 as the debt charges on debentures issued for utility and other municipal enterprises (housing, cemeteries, etc.) purposes, items 4 and 5 respectively, are to be shown in Total only.

Column (3)—The amount recoverable in respect of the total debenture interest falling due in the year under review.

Column (4)—The amount recoverable in respect of the total principal instalments on serial debentures falling due (or maturing) in the year under review.

Column (5)—The amount recoverable in respect of the total sinking fund requirements for the year under review.

Column (6)—The total amount recoverable in respect of the total debenture debt charges for the year under review, (the total of amounts shown in columns (3), (4), and (5)).

ANALYSIS OF DEBENTURE DEBT CHARGES

For the Fiscal Year ended..... .....19...
(Day) (Month)

SCHEDULE 11

Debenture Debt Classification	Interest	Serial Debentures—Principal Instalments	Sinking Fund Debentures—Sinking Fund Requirements	Total Debenture Debt Charges
(1)	(2)	(3)	(4)	(5)
1 Debentures Issued:				
11. General—				
111. Capitalized Deficits	$.....	$.....	$.....	$.....
112. Direct (Unemployment) Relief	.....	.....	.....	.....
113. Hospitals	.....	.....	.....	.....
114. Libraries	.....	.....	.....	.....
115. Parks and Playgrounds	.....	.....	.....	.....
116. All Other General Debt	.....	.....	.....	.....
12. Drainage (Other than General)	.....	.....	.....	.....
13. Local Improvements—				
131. Municipality's Share	.....	.....	.....	.....
132. Owners' Share	.....	.....	.....	.....
14. Schools—				
141. Elementary—				
1411. Public School	.....	.....	.....	.....
1412. Continuation School	.....	.....	.....	.....
1413. Separate School	.....	.....	.....	.....
142. Secondary—High School and Collegiate	.....	.....	.....	.....
143. Technical or Vocational	.....	.....	.....	.....
Total	$.....	$.....	$.....	$.....
15. Public Utilities and Other Municipal Enterprises—				
151. Water Supply System	$.....	$.....	$.....	$.....
152. Electric Light and Power	.....	.....	.....	.....
153. Gas Supply System	.....	.....	.....	.....
154. Street Railway	.....	.....	.....	.....
155. Bus Lines	.....	.....	.....	.....
156. Telephone System	.....	.....	.....	.....
157. Central Heating	.....	.....	.....	.....
158. Ferries	.....	.....	.....	.....
159. Other Public Utilities: (Specify)				
1591. Airport	.....	.....	.....	.....
1592	.....	.....	.....	.....
1593	.....	.....	.....	.....
160. Housing	.....	.....	.....	.....
161. Cemeteries	.....	.....	.....	.....
162. Other Municipal Enterprises: (Specify)				
1621	.....	.....	.....	.....
1622	.....	.....	.....	.....
1623	.....	.....	.....	.....
Total Public Utilities and Other Municipal Enterprises	$.....	$.....	$.....	$.....
Total Debt Charges on Debentures Issued	$.....	$.....	$.....	$.....
2. Debentures Assumed from Other Municipalities:—(Specify name of municipality and purpose for which issued according to above classification)—				
.....	$.....	$.....	$.....	$.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
Total Debt Charges on Debentures Assumed	$.....	$.....	$.....	$.....
3. Total Debenture Debt Charges, Item 9(91), Exhibit X	$.....	$.....	$.....	$.....

Explanatory Notes: (Form 39)

This schedule shows the detail in support of item 9(91) of the Expenditures, Exhibit X (Form 10 on page 57) and will be found self-explanatory, for the most part, if considered in conjunction with the explanations on page 87 relating thereto.

Column (1)—The debenture debt classification on the basis of which the debt charges should be analysed.

Item 1—Applies only to debentures issued by the reporting municipality. The main subdivision here-under distinguishes between debt which is a charge upon the municipality at large (General) and that which is a charge against specific classes or areas of property, such as special Drainage (item 12) and Local Improvements (item 13). Although not specified separately, general sewer debentures should be included in item 116 and not in item 12, Drainage.

Item 2—Applies to debt charges on debentures assumed from other municipalities for which, as noted in the statement, the name of the municipality should be shown as well as the purpose for which the debentures were issued according to the detail classification of the debenture debt shown under item 1. All such debt charges should be included here on the same basis as if the debentures were actually issued by the reporting municipality in the first instance.

Column (2)—The total amount of debenture interest falling due in the year under review.

Column (3)—The total amount of principal on serial debentures falling due (or maturing) in the year under review.

Column (4)—The total amount of sinking fund requirements for the year under review.

Column (5)—The total of amounts shown in columns (2), (3), and (4).

CAPITAL EXPENDITURES PROVIDED OUT OF REVENUE

For the Fiscal Year ended..... (Day) ..... (Month) .....19...

SCHEDULE 12

Functional Classification (See Schedule 1, Form 25 on page 166) (1)	Nature of Work or Asset Acquired (2)	Amount of Expenditure (3)
.....	.....	$.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
Total Capital Expenditures Provided Out of Revenue, Item 12, Exhibit X		$.....

Explanatory Notes:

This schedule shows the detail in support of item 12 of the Expenditures, Exhibit X (Form 10 on page 57), and will be found self-explanatory, for the most part, if considered in conjunction with the explanations on page 89 relating thereto.

Column (1)—The functional or departmental classification of the expenditures, which should conform with that shown in column (1) of Schedule 1 (Form 25 on page 166) relating to General Fixed Assets.

Column (2)—The nature of the work or asset acquired, such as land, buildings, plant and equipment or in the case of improvements such as streets, sewers, or sidewalks. See Schedule 1 in this regard also.

Column (3)—The amount of expenditures out of revenue fund budget appropriations for the year under review in respect of each asset, work or project as shown in column (2).

FORM 41

CAPITAL AND LOAN FUNDS

Specified Receipts and Payments

CAPITAL AND LOAN FUNDS

Specified Receipts and Payments

For the Fiscal Year ended..... (Day) ..... (Month) .....19...

SCHEDULE 13

SPECIFIED RECEIPTS

1. Sale of Fixed Assets: (Specify) (By Function and Purpose)		
11. Insurance Loss Recoveries	$.....	
12. Sale of Fixed Assets	.....	
Sub-Total		$.....
2. Grants or Shared Cost Receipts: (Specify) (By Function and Purpose)		
21. Dominion Government	$.....	
22. Provincial Government	.....	
23. Municipal Governments	.....	
Sub-Total		.....
3. Gifts, Bequests, and Endowments: (Specify) (By Function and Purpose)		
31.	$.....	
32.	.....	
Sub-Total		.....
4. Receipts on Account of Joint Cost		.....
5. Interest on Capital Account Investments		.....
6. Interest on Capital Account Bank Deposits		.....
7. Total of Specified Receipts		$.....

SPECIFIED PAYMENTS (OR EXPENDITURES)

1. Capital Expenditures (By Function and Purpose)		$.....
2. Extraordinary Expenses Capitalized: (Specify)		
21. Exchange Capitalized	$.....	
22. Relief Capitalized	.....	
23. Patriotic Grants Capitalized	.....	
24.	.....	
25.	.....	
Sub-Total		.....
3. Retirement of Debentures in Excess of Amounts Provided out of Revenue or Sinking Funds		.....
4. Total of Specified Payments (or Expenditures)		$.....

As a rule all cash transactions affecting capital and loan funds are recorded separately from those relating to the general revenue fund. There are instances, however, particularly in cases of larger municipalities, where this is not done and capital and loan funds' receipts and payments are accounted for through the general bank account, being recorded in the general cash book records. Either of these practices may be followed if each is permissible, the determining factor being whether or not the statutory provisions permit the inclusion of capital and loan funds with those of the general revenue fund.

Where the statutory requirements stipulate that all capital and loan funds transactions are to be kept separate, the annual financial report should include a complete cash statement showing both opening and closing cash balances as well as other transactions affecting these in summarized form, and following to the extent applicable the classification and segregation of the selected items shown in Form 41, page 189, to which reference is made below.

In the case of those municipalities which do not keep separate cash book records of capital and loan funds receipts and payments, it is necessary to show at least an abstract of selected capital and loan funds transactions in order that essential information relating to the year's operations will be reported. It will be appreciated that where this practice is followed it is not possible to show a separate self balancing cash statement with respect to these funds. Accordingly, Form 41, page 189, is designed for this purpose. Information should be recorded in this form by all municipalities whose capital and loan funds receipts and payments are not kept separate. Also, as previously mentioned, the same form may be used by other municipalities in lieu of a complete self-balancing statement of cash receipts and payments.

SPECIFIED RECEIPTS

1. Amounts received for fixed assets sold, and insurance recoveries for fixed assets lost or destroyed, which should be classified according to function and purpose as in Form 25 on page 166. **Sale of Fixed Assets**

2. Amounts received from other governments as contributions towards cost of acquiring fixed assets, and in respect of extraordinary expenditures capitalized. These should be classified first by level of government, Dominion, provincial or municipal, and within these classifications, by function and purpose, as in item 1, above. **Grant or Shared Cost Receipts**

Note: Do not include here receipts for shared costs where the contributor retains title to the share financed. Such should be shown under item 4.

Gifts, Bequests and Endowments

3. Amounts received from private persons, corporations, or organizations other than governments. Specify source of gift, etc., and classify according to function and purpose, as in item 1, above.

Receipts on Account of Joint Costs

4. Amounts received from other governments (usually municipalities), for the contributor's share in the financing of a joint project when each municipality shows as an asset its share of the cost of the project.

Interest on Capital Account Investments

5. Interest received during the fiscal year from securities held as investments in capital and loan funds.

Interest on Bank Account

6. Interest on Capital Account bank deposits received during the fiscal year.

7. The total of Specified Receipts (items 1 to 6 inclusive).

SPECIFIED PAYMENTS (OR EXPENDITURES)

Capital Expenditures

1. Expenditures for buildings or structural work, including land, purchase of equipment, construction of improvements, such as streets, sidewalks, sewers, etc., and for other assets of a fixed or permanent nature which were acquired out of capital and loan funds during the current year, which should be classified according to function and nature of asset acquired as in Form 25, page 166.

Extraordinary Expenses Capitalized (Specify)

2. This is to include such transactions as exchange capitalized, relief capitalized, patriotic grants, bonuses, gratuities or other grants to veterans capitalized. Such expenditures should be shown in this manner whenever they are met from the proceeds of debenture issues.

Excess Retirement of Debentures

3. Infrequently retirements of debentures in excess of amounts provided out of revenue or sinking funds are made in advance of maturity from capital funds. When such payments occur, they should be reported here.

4. The total of Specified Payments (or Expenditures) (items 1 to 3 inclusive).

APPENDIX "A"

PROCEDURE FOR REPORTING JOINT OR SPECIAL EXPENDITURES AND OTHER SPECIAL MUNICIPAL ACTIVITIES

The general explanations in the body of the text relating to Assets and Liabilities, Revenues and Expenditures and their supporting schedules, are designed to cover normal local activities more or less common to municipal organizations throughout Canada. The following instructions supplement the foregoing material by outlining the procedure to be followed where special activities are involved, or where peculiarities exist in municipal organization.

Nova Scotia

Curb and Gutter, Sidewalk and Sewer Rates

1. Frontage taxes, or rates or sums in lieu of frontage taxes, covering either construction or installation, or operation and maintenance of these services should be reported as follows:

Revenue—The amount of such rates due and payable in the current fiscal year, whether for construction or installation, or operation and maintenance, should be included in item 1, *Taxation*, under the appropriate sub-item of Special Assessments (Owners' Share) and Charges, in the Revenue and Expenditure Account, Exhibit X (Form 10 on page 57).

These instructions should be followed whether the annual frontage taxes, or sums in lieu of frontage taxes are entered in the yearly tax (or rate) roll against the respective properties liable for payment thereof, or are billed and collected independently of the ordinary municipal taxes.

Unpaid Rates (*Asset*)—If the practice is followed of including the amounts due each year in the yearly tax (or rate) roll, the asset representing unpaid rates would automatically be reflected in item 10, *Taxes Receivable;* and there would be no deferred revenue account, as the total of amounts entered in the roll would be credited direct to the revenue account, item 1, *Taxation.*

Where the rates are billed and collected independently, any rates unpaid at the close of the fiscal year should be set up as an asset and reported under item 3, *Accounts Receivable*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). The item should be broken down so as to show the total of these unpaid rates as a separate figure.

Deferred Revenue (*Liability*)—When the total amount of any such rates which may be paid in instalments over a period of years (such as for construction or installation) is set up as an asset, the offsetting credit should be made to a "Deferred Revenue" account and shown under item 12, *Other Liabilities* in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

In preparing Schedule 5, *Summary of Tax* (*or Rate*) *Roll* (Form 33 on page 178), any such amounts appearing in the roll should be shown under item 3(36).

Joint Expenditure Boards or Committees (Share of Total Charges)

2. Expenditures incurred by any municipality for the benefit of the county, or for the joint benefit of such municipality and any other municipality, including towns and cities, should be kept separate from all other expenditures, as should also any revenue from miscellaneous sources which accrues to the joint benefit of such municipalities in the same manner as do the expenditures. Each municipality, including towns and cities, should show *only its share* of the net total joint expenditures, as apportioned by the local board or committee, under item 13 of the expenditures in Exhibit X (Form 10 on page 57), as referred to on page 89 of the instructions. (It is to be noted in this connection that such joint expenditures should *exclude* the city, town, or municipality's (rural) share of the amount fixed as a contribution to the Municipal School Fund, which is to be reported under item 7 of the expenditures as referred to in the instructions on page 86.)

The municipality that originally incurred the expenditures should supplement the ordinary Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57) with an additional statement showing the revenues and expenditures on joint account, the form for which is shown on page 210.

Also, each municipality (rural) should ascertain and report the assets and liabilities outstanding at the close of the fiscal year in respect of such Joint Expenditure Boards or Committees, and either incorporate them in the Capital and Loan Funds, Sinking Fund, or Revenue Fund Balance Sheet, as the case may be, or report them by means of a separate balance sheet, such as prescribed for miscellaneous local authorities or activities (Form 11 on page 93), so as to make possible a consolidation of all assets and liabilities in the Combined Balance Sheet, Exhibit I (Form 1 on page 3).

In preparing Schedule 5, *Summary of Tax* (*or Rate*) *Roll* (Form 33 on page 178), the amount levied for joint expenditures by each municipality, including cities and towns, should be included in item 1 (11-111).

Poor District Rates

3. The total amount *levied* by the municipality for Poor District Rates should be shown separately as an expenditure under item 13 in Exhibit X (Form 10 on page 57), as referred

to in the instructions on page 89. Expenditures made or incurred by the municipality on behalf of each Poor District, which are chargeable against the respective levies, should be kept separate from all other expenditures, and these should be reported by means of a special statement separate and apart from the ordinary Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57). The form for such a special statement is shown on page 212.

If, instead of the municipality making the expenditures for and on behalf of the Poor Districts, as referred to in the foregoing, amounts are paid periodically, as may be required, to the Overseers of Poor, who in turn incur the expenses and pay the bills, the municipality should ascertain the exact standing of all poor district accounts at the close of each year so as to be able to prepare the special statement referred to, as shown on page 212, covering poor district operations. Also, the municipality should ascertain from the Overseers of Poor the amount of any assets or liabilities outstanding at the close of the fiscal year, in respect of each such Poor District, and either incorporate them in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41), or report them by means of a separate balance sheet, such as prescribed for miscellaneous local authorities or activities (Form 11 on page 93), so as to make possible a consolidation of all assets and liabilities in the Combined Balance Sheet, Exhibit I (Form 1 on page 3).

The balance of levies for Poor District Rates in excess of expenditures by the municipality in respect thereof, or in excess of amounts paid by the municipality to Overseers of Poor, should be shown as "Deferred Revenue—Poor District Rates" under item 12, *Other Liabilities*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). And similarly, expenditures by the municipality in respect of Poor Districts, or amounts paid by the municipality to Overseers of Poor, in excess of the amounts levied for Poor District Rates, should be shown as "Deferred Expenditure—Poor District Rates", under item 14, *Other Assets*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). If any assets or liabilities of Poor Districts at the close of the year are included in the Revenue Fund Balance Sheet, it should be borne in mind that either the *deferred expenditure* or the *deferred revenue* account will be affected, and these should be adjusted accordingly (excess of assets over liabilities —a credit to deferred revenue; or excess of liabilities over assets—a debit to deferred expenditure).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the total of amounts levied for Poor District Rates should be included in item 1 (11-111).

Provincial Highway Tax

4. The amount of Provincial Highway Tax due and payable to the Provincial Government for the year under review should be shown separately as an expenditure under item 13 in Exhibit X (Form 10 on page 57), as referred to in

the instructions on page 89. Any unpaid balance due the province at the close of the year should be shown under item 6, *Due to Province*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the levy for Provincial Highway Tax should be included in item 1(11-111).

District or Special Area Rates (Other than Poor Districts)

5. Levies, expenditures, and other transactions relating to any such Districts or Special Areas should be treated in the same manner as Poor District Rates, as explained on page 194.

Village Commissioners' Rates

6. Levies, expenditures, and other transactions relating to any such rates levied for and on behalf of Village Commissioners should be treated in the same manner as Poor District Rates, as explained on page 194, except that it is not necessary to prepare a special statement relating to their operations, or to incorporate their assets and liabilities in the municipal statements, as the activities of Village Commissioners do not come within the jurisdiction of the municipal corporation.

Snow Removal Funds

7. Transactions affecting Snow Removal Funds should be reported in the Revenue and Expenditure Accounts of the municipalities. The amount levied by a municipality for the Snow Removal Fund, together with the Provincial grant, should be shown as a Special Expenditure under item 13 of expenditure. The Provincial grant should be shown separately under item 8 of revenue.

In addition, a separate statement of the Snow Removal Fund should be prepared showing: the balance at the beginning of the year; revenue for the year from the Provincial grant, the special municipal levy, and interest earnings; expenditures for the year for purchase of equipment and snow removal; and the balance at the end of the year.

New Brunswick

Counties

1. Some slight departure from the general procedure will have to be followed by counties in New Brunswick in reporting revenues as provided for in Exhibit X (Form 10 on page 57). Item 1, *Taxation* (Revenue) should include only the total amount of taxes levied for the current fiscal year in the several parishes within the county. Revenue from other municipalities (i.e., from cities, towns and villages) for their share of the net total expenditures for general county purposes, as well as for special charges, which together make up the total warrant, should *not* be included as taxation revenue but shown under item 8(81-813) in the revenue statement. On the expenditure side no special procedure need be followed, in that expenditures should be reported on the basis of the classification set out in the general statement. It will no doubt be found desirable in most instances, however, to supplement

this general statement of revenues and expenditures with one showing the detail of charges, as between those for general county purposes and specials charges for cities, towns, and villages, and also for parishes. The form for this supplementary statement is shown on page 211.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), only the taxes levied in the parishes should be included.

County Rates

2. Expenditure for county rates, as referred to in the instructions on page 89 in connection with item 13 of Exhibit X (Form 10 on page 57), applies only to cities, towns, and villages. Each municipality should include here only the total of its share of the general county rates and special charges which amount should be in agreement with the relative amount shown as a revenue under item 8(81) by the county, as referred to in 1 above.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for county rates should be included in item 1(11-111).

Quebec

Counties

1. As counties in the Province of Quebec have no direct power of taxation, but merely the right to impose a rate or charge against the constituent local municipalities comprising the county, some slight departure from the general procedure will have to be followed in reporting revenues as provided for in Exhibit X (Form 10 on page 57). Instead of item 1, *Taxation* (Revenue) counties should report in its place the revenue derived from the imposition of county rates or other charges classified according to municipalities, as follows:

1. *County Rates:*
   - 11. Towns: (Specify)
   - 12. Villages: (Specify)
   - 13. Rural Municipalities: (Specify)
     - 131. Township Municipalities.
     - 132. Parish Municipalities.
     - 133. Municipalities (without designation).

All other revenues of the county should then be shown, to the extent that they are applicable, according to the classification of items 2 to 10 inclusive, and item 12, as shown in the general statement (Form 10 on page 57). On the expenditure side, however, no special procedure need be followed, in that expenditures should be reported on the basis of the classification set out in the general statement.

Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), does not apply to counties in Quebec.

County Rates

2. The expenditure for county rates, as referred to in the instructions on page 89 in connection with item 13 of Exhibit X (Form 10 on page 57), applies only to towns, villages, and rural municipalities. Each municipality should include here only the total county rate or charge for the current fiscal year, which amount should be in agreement with the relative amount shown as a revenue by the county, as referred to in 1 above.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for county rates should be included in item 1(11-111).

Montreal Metropolitan Commission —Assets and Liabilities

3. There are two types of municipalities falling within the scope of the operations of this Commission, namely (1) *autonomous municipalities*, and (2) *aided municipalities*. In order that the financial relationship between these municipalities and the Commission may be clearly set out in the balance sheets and revenue and expenditure statements, it is necessary that some special procedures should be followed. In the Capital and Loan Funds Balance Sheet, each municipality should show its share of the net total bonded or debenture debt (i.e., the gross debt less sinking funds) under item 3 of the liabilities, with the assets reported in the ordinary way according to the purpose for which the bonds or debentures were issued. (As the relationship between the Commission and these municipalities is more or less the same as when debentures are assumed from another municipality, reference should be made to the explanations on page 177 for further information in this regard.) In the Sinking Fund Balance Sheet, each municipality should show as an asset under item 8, its share of the sinking fund held by the Commission, with a corresponding *reserve for retirement of debentures* under item 1 of the liabilities. In the Revenue Fund Balance Sheet, amounts due from the Commission should be shown under item 4 of the assets, and similarly amounts due to the Commission should be shown under item 5 of the liabilities. In this way, complete effect may be given to the financial relationship between each municipality and the Commission, as the amounts thus reported should be in agreement with the relative assets and liabilities reported in the financial statements of the Commission itself.

Montreal Metropolitan Commission —Charges

4. The same procedure should be followed by each municipality in reporting its expenditures in this regard as in the case of assets and liabilities. Accordingly, each municipality should show as an expenditure under item 13, as referred to in the instructions on page 89, its share of the net total requirements of the Commission, as provided for either by way of general or special assessment.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for these charges should be included in item 1(11-111).

5. Although municipalities are required to levy taxes against properties insured with such companies to meet established damages, and may levy additional taxes to establish an insurance reserve fund, any such taxes, tax collections, and other transactions relating to the operations of the insurance company should be kept separate from the general municipal transactions. The owners of the insured properties constitute the insurance corporation, which in turn is under the control and management of the municipal council; thus the municipality is in effect acting in the capacity of a "trustee" in respect of the insurance funds. Accordingly, tax levies in this regard and expenditures for damages, reserves, or other purposes should *not* be included in the Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57). Taxes outstanding, including both current and arrears, and other assets, as well as liabilities, including reserves, should be reported in the Trust and Agency Funds Balance Sheet, Exhibit XVII (Form 15 on page 109). **Municipal Mutual Insurance Companies**

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), any such amounts included in the roll should be shown under item 3(36).

6. Rates charged to customers for water utility services are a direct revenue of the utility and should be shown accordingly in the Utility Income and Expenditure Account, Exhibit XX(W) (Form 18 on page 129). In most provinces the charge for this service is based on either the facilities or services enjoyed in each household or other establishment, or on the quantity of water consumed, and such charges are billed and collected independently of municipal taxes. But there are cases, mainly in Quebec, where the charge for water service is based on the rental value of the property and included in the yearly tax roll for collection in the same manner as ordinary municipal taxes. Notwithstanding this practice, however, any such water rates or charges should be accounted for separate and apart from taxes; the total of such rates or charges for the current fiscal year should be included in item 1 of the utility income statement, as referred to above, and outstanding or unpaid rates due from customers should be shown as an asset under item 3, *Accounts Receivable* in the Utility Balance Sheet, Exhibit XVIII (Form 16 on page 115). **Water Rates**

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), any such water rates or charges should be *excluded.*

Ontario

1. As counties in the Province of Ontario have no direct power of taxation, but merely the right to impose a rate or charge against the constituent local municipalities comprising the county, some slight departure from the general procedure will have to be followed in reporting revenues as provided for in Exhibit X (Form 10 on page 57). Instead of item 1, **Counties**

Taxation (Revenue), counties should report in its place the revenue derived from the imposition of county rates or other charges, classified according to municipalities, as follows:

1. *County Rates:*

11. Towns: (Specify)
12. Villages: (Specify)
13. Townships: (Specify)

All other revenues of the county should then be shown, to the extent that they are applicable, according to the general classification of items 2 to 10 inclusive, and item 12, as shown in the general statement (Form 10 on page 57). On the expenditure side, the general classification of expenditures, as shown in Exhibit X (Form 10 on page 57), should be followed. For the most part, items 1-9 inclusive, together with items 11 to 14 and 16, comprise the normal functional groups of expenditures for county municipalities. Other items of expenditure, such as for *agriculture* and *reforestation*, for which no provision is made in the general municipal statement inasmuch as they do not apply, should be shown separately.

Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), does not apply to counties in Ontario.

County Rates

2. The expenditure for county rates, as referred to in the instructions on page 89 in connection with item 13 of Exhibit X (Form 10 on page 57), applies only to towns (other than separated towns), villages, and townships in counties. Each local municipality should show as an expenditure under this item its total share of the county rates or charges for the current fiscal year, *including secondary school and other educational costs.* It will thus be seen that these amounts should be in agreement with the relative amounts shown as a revenue by the county, as referred to in 1 above.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for county rates (including secondary school and other educational costs) should be included in item 1(11-111).

Police Village Rates or Levies

3. The total amount *levied* by the municipality for the purposes of Police Villages should be shown separately as an expenditure under item 13 in Exhibit X (Form 10 on page 57), as referred to in the instructions on page 89. Expenditures made or incurred by the municipality on behalf of each Police Village, which are chargeable against the respective levies, should be kept separate from all other expenditures, and these should be reported by means of a special statement separate and apart from the ordinary Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57). The form for such a special statement is shown on page 212.

If, instead of the municipality making the expenditures for and on behalf of the Police Villages, as referred to in the foregoing, amounts are paid periodically, as may be required, to the Police Village Trustees, who in turn incur the expenses and pay the bills, the municipality should ascertain the exact standing of all police village accounts at the close of each year so as to be able to prepare the special statement referred to, as shown on page 212, covering police village operations. Also, the municipality should ascertain from the Police Village Trustees the amount of any assets or liabilities outstanding at the close of the fiscal year, in respect of each Police Village, and either incorporate them in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41), or report them by means of a separate balance sheet, such as prescribed for miscellaneous local authorities or activities (Form 11 on page 93), so as to make possible a consolidation of all assets and liabilities in the Combined Balance Sheet, Exhibit I (Form 1 on page 3).

The balance of levies for Police Village Rates in excess of expenditures by the municipality in respect thereof, or in excess of amounts paid by the municipality to Police Village Trustees, should be shown as "Deferred Revenue—Police Village Rates" under item 12, *Other Liabilities*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). And similarly, expenditures by the municipality in respect of Police Villages, or amounts paid by the municipality to Police Village Trustees, in excess of amounts levied for Police Village Rates, should be shown as "Deferred Expenditure—Police Village Rates" under item 14, *Other Assets*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). If any assets or liabilities of Police Villages at the close of the year are included in the Revenue Fund Balance Sheet, it should be borne in mind that either the *deferred expenditure* or the *deferred revenue* account will be affected, and these should be adjusted accordingly (excess of assets over liabilities—a credit to deferred revenue; or excess of liabilities over assets—a debit to deferred expenditure).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the total of amounts levied for such Police Village Rates should be included in item 1(11-111).

Special Area Rates or Levies

4. Levies, expenditures, and other transactions relating to any such special areas should be treated in the same manner as Police Village Rates, as explained on page 200.

These special areas are found mostly in townships where they have been established for the purpose of providing such services as police and fire protection, sewage and other improvements. It is only in such cases that the procedure outlined should be followed. There are instances, however, where special areas are formed for the purpose of providing utility services such as water, electricity, or street railway, in which event the amounts levied as a special area rate should

be shown as an expenditure under item 10 of Exhibit X (Form 10 on page 57). (For further information in this latter regard, refer to the instructions on page 88 in connection with item 10 of the expenditures, and also to the instructions on page 134 in connection with item 3 of the income, for a water supply system.)

Suburban Roads Commission Charges

5. This item of expenditure, as referred to in the instructions on page 89 in connection with item 13 of Exhibit X (Form 10 on page 57), applies only to cities, separated towns and counties which share in the expenses of maintaining and constructing suburban roads. Each municipality should report as an expenditure under this item its total share of the Suburban Roads Commission Charges for the current fiscal year.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for Suburban Roads Commission Charges should be included in item 1(11-111).

Interurban Administrative Area Levies

6. This item of expenditure, as referred to on page 89 in connection with item 13 of Exhibit X (Form 10 on page 57) applies only to those municipalities of which all or a part is included in such an area. Each municipality should report as an expenditure the amount levied by it for and on behalf of the Interurban Administrative Area for the current fiscal year.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for Interurban Administrative Area Levies should be included in item 1 (11-111).

NOTE: For treatment of Health Units, see the last two paragraphs of item 13, Expenditures (page 90).

Manitoba

Greater Winnipeg Sanitary District Charges

1. Sewer rental charges imposed by the municipalities to meet their respective shares of the annual operating and maintenance costs, together with the annual debt charges on the capital cost, should be shown as a revenue under item 6, *Service Charges*, in the Revenue and Expenditure Account, Exhibit X (Form 10 on page 57). The amount payable to the Greater Winnipeg Sanitary District by each municipality, representing its share of the annual assessment or allocation to meet the operating and maintenance costs of the District, should be shown as an expenditure under item 13 of Exhibit X (Form 10 on page 57), as referred to in the instructions on page 89. Other expenditures by the municipality which are chargeable against revenue derived from the sewer rentals should be reported according to the general classification provided for ordinary municipal expenditures.

Amounts due to and from the Greater Winnipeg Sanitary District should be shown under either item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

If, in any instance, the above sewer rental charges are included in the yearly tax roll, the total thereof should be shown under item 3(36) in preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178).

Greater Winnipeg Water District Charges

2. The levy on land by each municipality comprising the Greater Winnipeg Water District should be included as part of taxation revenue under item 1 of Exhibit X (Form 10 on page 57), and a corresponding amount shown as an expenditure under item 10 in the Revenue and Expenditure Account, Exhibit X (Form 10 on page 57). Similarly, the amount of such levy should be shown as income of the water supply system under item 3, and a corresponding amount shown as an expenditure under item 8 in Exhibit XX(W) (Form 18 on page 129). This latter procedure is necessary in order to show a complete statement of operations for the municipal water utility, including the sources from which the utility income has been derived.

Amounts due to and from the Greater Winnipeg Water District should be shown under either item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount of the levy for Greater Winnipeg Water District Charges should be included in item 1(11-111).

Each municipality should also report its contingent liability in respect of Greater Winnipeg Water District debentures, in Exhibit III (Form 3 on page 19).

Municipal Commissioner's Levy

3. The amount levied on the municipality by the Municipal Commissioner, representing its share of the apportioned expenditures for services falling under the jurisdiction of the Municipal Commissioner, should be shown as an expenditure under item 13 of Exhibit X (Form 10 on page 57), as referred to in the instructions on page 89.

The balance of amounts owing to or from the Municipal Commissioner on account of any such levies, together with interest thereon, if any, should be shown under either item 6 of the liabilities or item 5 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount of the Municipal Commissioner's Levy should be included in item 1(11-111).

Provincial Trunk Highways

4. The amount of the annual instalment payable to the province on this account, including both principal and interest, should be shown as an expenditure under item 13 of Exhibit X (Form 10 on page 57), as referred to in the instructions on page 89. Principal and interest should be shown separately.

The unmatured principal balance owing on this account should be shown under item 3, *Other Long-Term Indebtedness*, of the liabilities in the Capital and Loan Funds Balance Sheet, Exhibit II (Form 2 on page 9), and the balance of any amounts past due and unpaid should be shown under item 6 of the liabilities in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the levy for Provincial Trunk Highways should be included in item 1(11-111).

Village District Committee Rates or Levies

5. The total amount *levied* by the municipality for Unincorporated Village Districts should be shown separately as an expenditure under item 13 in Exhibit X (Form 10 on page 57), as referred to in the instructions on page 89. The actual revenues and expenditures of all such Village District Committees should be reported by means of a special statement, the form for which is shown on page 212. This statement should be prepared from the annual return to Council by such Village District Committees, which should also include any assets or liabilities outstanding at the close of the year, so that these may also be reported in the financial statements of the municipality.

The balance of any such Village District Committee Rates or Levies in excess of amounts paid by the municipality to the committee(s) should be shown as "Deferred Revenue—Village District Rates" under item 12, *Other Liabilities*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41), and similarly, amounts paid by the municipality to the committee(s) in excess of amounts levied in that regard should be shown as "Deferred Expenditure—Village District Rates" under item 14, *Other Assets*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

It may occur in some instances, where arrangements have been made accordingly by the Village District Committee(s), that the municipality makes or incurs the expenditures directly and pays the accounts for and on behalf of the committee(s), but notwithstanding this fact, the procedure outlined above should still be followed.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the total Village District Committee Rates or Levies should be included in item 1(11-111).

Medical Care District Levies

6. Taxes levied by the municipality for Medical Care Districts should be treated in the same manner as other taxes levied for general purposes and included as part of taxation revenue (real property and/or poll) in item 1 of Exhibit X (Form 10 on page 57). The expenditure in this regard should be included in item 5, *Health*, under Medical, Dental and Allied Services.

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for Medical Care District Levies should be included in item 1(11-111).

7. Taxes levied by the municipality for Hospital Districts should be treated in the same manner as other taxes levied for general purposes and included as part of taxation revenue in item 1 of Exhibit X (Form 10 on page 57). The expenditure in this regard should be included in item 5, *Health*, under Hospital Care. **Hospital District Levies**

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the amount levied for Hospital District Levies should be included in item 1(11-111).

NOTE: For treatment of Local Health Units, and Units and Areas for Diagnostic Services, see the last two paragraphs of item 13, Expenditures (page 90).

Saskatchewan

1. Taxes levied by the municipality, both general and special, for and on behalf of Rural Telephone Companies, should be treated as *Agency or Trust Accounts*. Accordingly, the total amount of such taxes levied should not be included either as taxation revenue for municipal purposes, or as an expenditure, in the Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57). Assets and liabilities in respect of such Telephone Tax Levy, to the extent that they may be separable from general revenue fund balance sheet accounts, should be reported in the Trust and Agency Funds Balance Sheet, Exhibit XVII (Form 15 on page 109). Unpaid taxes should be shown as such under item 4 of the assets and the balance due to Rural Telephone Companies should be shown under item 1 of the liabilities. Normally, the assets and liabilities in respect of such telephone levies should be in agreement, but due to tax consolidations or tax sales and collections thereon, as well as to other transactions in respect of telephone levies which may be accounted for through certain revenue fund balance sheet accounts, there may be some differences. These differences would represent *inter-fund* balances and should be shown accordingly in the respective balance sheets. **Telephone Tax Levy**

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the total Telephone Tax Levy should be shown under item 3(33).

2. Taxes levied by the municipality for and on behalf of Hail Insurance Associations should be treated in the same manner as outlined in respect of Telephone Tax Levy in 1 above. **Hail Insurance Tax Levy**

3. Taxes levied by the municipality for and on behalf of the Provincial Government (including drainage debenture **Public Revenue Tax**

tax) should be treated in the same manner as outlined in respect of Telephone Tax Levy in 1 above.

Wild Lands Tax

4. Wild Lands Taxes levied by the municipality for and on behalf of the Provincial Government should be treated in the same manner as outlined in respect of Telephone Tax Levy in 1 above.

Hospital Districts

5. Taxes levied by the municipality for Hospital Districts should be treated in the same manner as other taxes levied for general municipal purposes and included as part of taxation revenue in item 1 of Exhibit X (Form 10 on page 57). The expenditure in this regard, represented by the municipality's share of the hospital district requisition for the year, should be included in item 5, *Health*, as referred to on page 83.

Amounts due to and from Hospital Districts at the close of the fiscal year should be shown either under item 10 of the liabilities or item 9 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the total levy for Hospital Districts should be included in item 1(11-111).

NOTE: For treatment of Local Health Regions, see the last two paragraphs of item 13, Expenditures (page 90).

Alberta

Educational Tax

1. Educational Tax, levied only by Municipal Districts on land not in a School District for and on behalf of the Provincial Government, should be treated in the same manner as other taxes levied for general municipal purposes and included as part of taxation revenue in item 1 of Exhibit X (Form 10 on page 57). The expenditure on this account should be shown at the amount of the current levy as a Joint or Special Expenditure, item 13 of Exhibit X (Form 10 on page 57). Assets and liabilities in respect of such Educational Tax levy should be reported in the Revenue Fund Balance Sheet, General Section, Exhibit VIII (Form 8 on page 41). Unpaid taxes will be included under items 10 and 11 of the assets, with the liability shown in item 6. The liability will also include arrears of remittances of Educational Taxes due to the Provincial Government.

Hail Tax

2. Hail Tax arrears uncollected and owing to the Hail Insurance Board by a Municipal District are to be included in items 10 and 11 of Exhibit VIII, Revenue Fund Balance Sheet (Form 8 on page 41), and a corresponding amount of liability, shown separately under item 12. The liability will also include Hail Tax Arrears collected but not remitted to the Hail Board.

Hail Tax Arrears which have been acquired by the Municipal District will be treated in the same manner as taxes levied for general municipal purposes and included as an asset in items 10 and 11 of Exhibit VIII (Form 8 on page 41).

In preparing Schedule 6, Taxes Receivable (Form 34 on page 180), both categories of Hail taxes noted above must be included.

3. Taxes levied by the municipality to meet Municipal Hospital District requisitions should be treated in the same manner as other taxes levied for general municipal purposes and included as part of taxation revenue in item 1 of Exhibit X (Form 10 on page 57). The expenditure in this regard, represented by the amount of the requisition, should be included in item 54 under *Health* (Form 10 on page 57). **Hospital Tax**

Unpaid taxes should be included under items 10 and 11 of the assets of Exhibit VIII (Form 8 on page 41). The liability will be at the amount of the requisition unpaid, which will be included under item 10 of Exhibit VIII (Form 8 on page 41).

In preparing Schedule 6, Taxes Receivable (Form 34 on page 180), Hospital Tax must be included.

4. Taxes levied by the municipality to meet requisitions of School Districts or School Divisions, should be treated in the same manner as outlined in respect of Hospital Tax in 3 above, with the liability shown under item 8, *Due to School Boards.* **School Tax**

In preparing Schedule 6, Taxes Receivable (Form 34 on page 180), School Tax must be included.

NOTE: Arrears of School Taxes reported to the municipality for collection under the provisions of the Tax Recovery Act will not appear in the Revenue Fund Balance Sheet. Reported School Arrears collected, but not remitted to the School Board or School Division will be included under item 8 of the Liabilities in Exhibit VIII (Form 8 on page 41).

British Columbia

1. Financial transactions of the municipality relating to the Greater Vancouver Water District and Greater Victoria Water District should be reflected in the statements of the Water Utility. The cost of water purchased should be shown as an expenditure under item 3 of the Utility Income and Expenditure Account, Exhibit XX(W)(Form 18 on page 129). Amounts due to or from the Greater Vancouver Water District or Greater Victoria Water District in respect of water utility transactions should be shown under either item 8 of the liabilities or item 8 of the assets, as the case may be, in the Public Utility Balance Sheet, Exhibit XVIII (Form 16 on page 115). **Greater Vancouver Water District and Greater Victoria Water District**

Each municipality should also report its contingent liability in respect of Greater Vancouver Water District debentures, or Greater Victoria Water District debentures, in Exhibit III (Form 3 on page 19).

Vancouver and Districts Joint Sewerage and Drainage Board

2. The annual assessment made by the Vancouver and Districts Joint Sewerage and Drainage Board on the municipality should be shown as an expenditure under item 13 in Exhibit X (Form 10 on page 57), as referred to in the instructions on page 89. Amounts due to or from the Board should be shown under either item 5 of the liabilities or item 4 of the assets, as the case may be, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the levy for Vancouver and Districts Joint Sewerage and Drainage Board assessment should be included in item 1(11-111).

Each municipality should also report its contingent liability in respect of Vancouver and Districts Joint Sewerage and Drainage Board debentures, in Exhibit III (Form 3 on page 19).

Special Area Rates or Levies

3. Where a defined section of the municipality is formed into a special area for the purpose of rendering certain services, the costs of which are levied against properties within that area, the total of the taxes *levied* for these areas should be shown as an expenditure under item 13 in Exhibit X (Form 10 on page 57), as referred to in the instructions on page 89. Expenditures made or incurred by the municipality in respect of any such area services should be kept separate from all other expenditures and reported by means of a special statement separate and apart from the ordinary Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57). The form for such a special statement is shown on page 212.

The balance of any such area levies in excess of expenditures by the municipality in respect thereof should be shown as "Deferred Revenue—Special Area Rates" under item 12, *Other Liabilities*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41). And similarly, expenditures by the municipality in respect of such special areas in excess of amounts levied therefor should be shown as "Deferred Expenditure—Special Area Rates" under item 14, *Other Assets*, in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41).

The foregoing applies to all general municipal services which are rendered to limited or defined areas of the municipality, such as for police and fire protection, sewage and other improvements, but does not apply to utility services, such as for water, gas, railway, or electricity, for which special areas may have been formed. When any such utility services are pro-

vided for on a special area basis and a part or the whole of the cost thereof (other than for deficits) is provided for out of taxation, the amount of the tax levy in that regard should be shown as an expenditure under item 10 of Exhibit X (Form 10 on page 57). (For further information in this latter regard, refer to the instructions on page 88 in connection with item 10 of the expenditures, and also to the instructions on page 134 in connection with item 3 of the income, for a water supply system.)

In preparing Schedule 5, *Summary of Tax (or Rate) Roll* (Form 33 on page 178), the total of amounts levied for special areas should be included in item 1(11-111).

JOINT EXPENDITURE BOARD OR COMMITTEE

Revenue and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT X
(Supplementary)

REVENUE

1. Apportionment of Joint Expenditures—			
11. Municipality of		$.....	
12. City of		.....	
13. Town of		.....	
14. Town of		.....	
		Sub-Total	$.....
2. Miscellaneous Revenue—			
21.	Specify according to classi-	$.....	
22.	fication of items 2 to 10	.....	
23.	inclusive, and item 12 of the	.....	
24.	Revenues as shown in Ex-	.....	
25.	hibit X (Form 10 on page 57)	.....	
		Sub-Total	.....
3. Total Revenue			$.....

EXPENDITURE

1.	Specify according		$.....
2.	to classification of		.....
3.	items 1 to 12 inclus-		.....
4.	ive, and items 14		.....
5.	and 16 of the Ex-		.....
5.	penditures as shown		.....
6.	in Exhibit X (Form		.....
7.	10 on page 57).		.....
9.			.....
10.			.....
11. Total Expenditure			$.....
12. Surplus (or Deficit) for Year			.....
13. Total			$.....

Explanatory Note:

This is the form of supplementary statement referred to on page 194, which applies only to municipalities (rural) in Nova Scotia in which there are Joint Expenditure Boards or Committees. It provides for the detail of the apportionment of joint expenditures as between the municipalities liable therefor, as well as the necessary detail of revenues from miscellaneous sources and expenditures on joint account.

ANALYSIS OF SPECIAL RATES AND CHARGES

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT X
(Supplementary)

	City, Town or Village (Specify)			Parishes (Specify)			
	..... (1)	..... (2)	Total Col. (1) + (2) (3)	..... (4)	..... (5)	Total Col. (4) + (5) (6)	Grand Total Col. (3) + (6) (7)
REVENUE							
1. Total Warrant—or—Taxes Levied	$.....	$.....	$.....	$.....	$.....	$.....	$.....
2. Special Revenue: (Specify)							
21.	.....	.....	.....	.....	.....	.....	.....
22.	.....	.....	.....	.....	.....	.....	.....
23.	.....	.....	.....	.....	.....	.....	.....
24.	.....	.....	.....	.....	.....	.....	.....
25.	.....	.....	.....	.....	.....	.....	.....
3. Total Revenue	$.....	$.....	$.....	$.....	$.....	$.....	$.....
EXPENDITURE							
4. County Purposes	$.....	$.....	$.....	$.....	$.....	$.....	$.....
5. Special Expenditures: (Specify)							
51.	.....	.....	.....	.....	.....	.....	.....
52.	.....	.....	.....	.....	.....	.....	.....
53.	.....	.....	.....	.....	.....	.....	.....
54.	.....	.....	.....	.....	.....	.....	.....
55.	.....	.....	.....	.....	.....	.....	.....
6. Total Expenditures	$.....	$.....	$.....	$.....	$.....	$.....	$.....
7. Surplus or **8. Deficit**	.....	.....	.....	.....	.....	.....	.....
9. Grand Total	$.....	$.....	$.....	$.....	$.....	$.....	$.....

Explanatory Notes:

This is the form for the supplementary statement referred to on page 197. It applies only to Counties in New Brunswick.

Item 1—**Warrant**—applies only to columns (1), (2) and (3), the total of which should agree with the amount shown under 8(81) of the revenues in the Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57), as referred to on page 196.

Taxes Levied—applies only to columns (4), (5), and (6), the total of which should agree with the total of the amounts shown under item 1 of the revenues in the Revenue and Expenditure Account (General Section), Exhibit X (Form 10 on page 57), as referred to on page 196.

Item 2—Special items of revenue which accrue directly to the credit of specific cities, towns, villages, or parishes. These should be shown here according to the classification of items 2 to 10 inclusive, and item 12 in Exhibit X referred to above.

Item 3—The total of item 1 and amounts shown under item 2.

Item 4—The apportionment of the net total charges for general county purposes.

Item 5—Special items of expenditure which are chargeable direct to specific cities, towns, villages, or parishes. These should be shown here according to the classification of items 1 to 12 inclusive and items 14 and 16 in Exhibit X referred to above.

Item 6—The total of item 4 and amounts shown under item 5.

Item 7 or 8—The difference between items 3 and 6, surplus or deficit, as the case may be.

Item 9—The total of items 6 and 7, or the difference between items 6 and 8, depending on whether a surplus or a deficit is shown.

SPECIAL AREA OR DISTRICT RATES

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT X
(Supplementary)

	Name or Number of Area or District					Grand Total
1. Balance January 1, 19....						
11. Deferred Expenditure	$.....	$.....	$.....	$.....	$.....	$.....
12. Deferred Revenue	.....	.....	.....	.....	.....	.....
2. Rates Levied for Current Year	.....	.....	.....	.....	.....	.....
3. Miscellaneous Revenue:						
31. ..... Specify according to clas-	.....	.....	.....	.....	.....	.....
32. ..... sification of items 2 to 10	.....	.....	.....	.....	.....	.....
33. ..... inclusive, of the Revenues	.....	.....	.....	.....	.....	.....
34. ..... as shown in Exhibit X	.....	.....	.....	.....	.....	.....
35. ..... (Form 10 on page 57).	.....	.....	.....	.....	.....	.....
4. Total	$.....	$.....	$.....	$.....	$.....	$.....
5. Expenditures:						
51. ..... Specify according to clas-	.....	.....	.....	.....	.....	.....
52. ..... sification of items 1 to 12	.....	.....	.....	.....	.....	.....
52. ..... inclusive and item 14 of the	.....	.....	.....	.....	.....	.....
54. ..... Expenditures as shown in	.....	.....	.....	.....	.....	.....
55. ..... Exhibit X (Form 10 on page 57).	.....	.....	.....	.....	.....	.....
6. Total	$.....	$.....	$.....	$.....	$.....	$.....
7. Balance December 31 ,19....						
71. Deferred Expenditure	$.....	$.....	$.....	$.....	$.....	$.....
72. Deferred Revenue	$.....	$.....	$.....	$.....	$.....	$.....

Explanatory Note:

This is the form of supplementary statement which should be prepared in connection with Poor District Rates, and District or Special Area Rates in Nova Scotia; Police Village Rates, and Special Area Rates in Ontario; Village District Committee Rates in Manitoba; and Special Area Rates in British Columbia, as referred to on pages 195, 196, 200, 201, 204 and 208 respectively. It provides for the necessary detail in support of any deferred expenditure or deferred revenue balances on this account shown in the Revenue Fund Balance Sheet, Exhibit VIII (Form 8 on page 41), as well as the necessary detail of revenues and expenditures for all such areas or districts.

APPENDIX "B"

UTILITY INCOME AND EXPENDITURE ACCOUNTS

Income and expenditure of utilities should be kept separate from ordinary municipal revenues and expenditures and a separate operating statement prepared for each, regardless of the method of financing operations or the method employed in the management and control of the enterprise. On page 129 of the Manual is shown the form of *Income and Expenditure Account* for a Water Supply System and this section includes similar statements for other utilities which are found in municipal organizations throughout Canada, as follows:

Electric Light and Power	Form 45
Gas Supply System	Form 46
Street Railway	Form 47
Bus Lines	Form 48
Telephone System	Form 49
Airport	Form 50
Ferries	Form 51
Central Heating	Form 52
Sewer Utility	Form 53

For an explanation of these statements reference should be made to the instructions on page 133 to 135 inclusive, relating to a Water Supply System, as the general procedure outlined in that regard applies as well to all other utilities.

Form 45

ELECTRIC LIGHT AND POWER

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Sale of Electrical Energy:			
11. Residential Sales		$.....	
12. Commercial Sales—			
121. Power	$.....		
122. Lighting, etc.	.....		
	Sub-Total	.....	
13. Industrial Sales—			
131. Power	$.....		
132. Lighting, etc.	.....		
	Sub-Total	.....	
14. Sales to Public Authorities (Other than Own Municipality)—			
141. Power	$.....		
142. Lighting, etc.	.....		
	Sub-Total	.....	
15. Sales to Own Municipality–			
151. Power	$.....		
152. Street Lighting	.....		
153. Other Lighting, etc.	.....		
	Sub-Total	.....	
16. Other Sales: (Specify)			
161. Sales to Other Electric Utilities	$.....		
162.	.....		
163.	.....		
	Sub-Total	.....	
		Sub-Total	$..... ...
2. Miscellaneous Income:			
21. Customers' Forfeited Discounts and Penalties		$.....	
22. Servicing of Customers' Installations		.....	
23. Sales of Merchandise		.....	
24. Other: (Specify)			
241.		.....	
242.		.....	
243.		.....	
		Sub-Total	.....
3. Provided by Municipality from Tax Levy:			
31. General or Special Area Rates		$.....	
32. Local Improvement Charges—Owners' Share		.....	
		Sub-Total	.....
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX			.....
6. Grand Total Income Section			$.....

ELECTRIC LIGHT AND POWER
Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (E)

EXPENDITURE

1. Administration and General		$.....
2. Customers' Billing and Collecting		.....
3. Electrical Energy Purchased		.....
4. Generation of Electrical Energy:		
41. Maintenance	$.....	
42. Operation	.....	
Sub-Total		.....
5. Transmission and Transformation:		
51. Maintenance	$.....	
52. Operation	.....	
Sub-Total		.....
6 Distribution:		
61. Maintenance	$.....	
62. Operation	.....	
Sub-Total		.....
7. Street Lighting:		
71. Maintenance	$.....	
72. Operation	.....	
Sub-Total		.....
8. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
81. Cost of Merchandise Sales	$.....	
82.	.....	
83.	.....	
Sub-Total		.....
9. Depreciation		.....
10. Debenture Debt Charges:		
101. Interest	$.....	
102. Serial Debentures—Principal Instalments	.....	
103. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
11 Total Expenditure		$.....
12. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
13 Grand Total Expenditure Section		$.....

Form 46

GAS SUPPLY SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Sale of Gas:			
11. Residential Sales		$.....	
12. Commercial Sales		.....	
13. Industrial Sales		.....	
14. Sales to Public Authorities (Other than Own Municipality)		.....	
15. Sales to Own Municipality:			
151. Street Lighting	$.....		
152. Other Lighting, etc	.....		
Sub-Total		.....	
16. Other Sales: (Specify)			
161. Sales to Other Gas Utilities		.....	
162.		.....	
163.		.....	
Sub-Total			$.....
2. Miscellaneous Income:			
21. Customers' Forfeited Discounts and Penalties		$.....	
22. Servicing of Customers' Installations		.....	
23. Sales of Merchandise		.....	
24. Sales of By-Products		.....	
25. Other: (Specify)			
251.		.....	
252.		.....	
253.		.....	
Sub-Total			.....
3. Provided by Municipality from Tax Levy:			
31. General or Special Area Rates		$.....	
32. Local Improvement Charges—Owners' Share		.....	
Sub-Total			.....
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX			.....
6. Grand Total Income Section			$.....

GAS SUPPLY SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (G)

EXPENDITURE

1. Administration and General			$.....
2. Customers' Billing and Collecting			.....
3. Gas Purchased:			
31. Manufactured Gas		$.....	
32. Natural Gas		.....	
		Sub-Total	.....
4. Gas Production:			
41. Manufactured Gas—			
411. Maintenance	$.....		
412. Operation	.....		
	Sub-Total	$.....	
42. Natural Gas—			
421. Maintenance	$.....		
422. Operation	.....		
	Sub-Total	.....	
		Sub-Total	.....
5. Transmission:			
51. Maintenance		$.....	
52. Operation		.....	
		Sub-Total	.....
6. Distribution:			
61. Maintenance		$.....	
62. Operation		.....	
		Sub-Total	.....
7. Street Lighting:			
71. Maintenance		$.....	
72. Operation		.....	
		Sub-Total	.....
8. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)			
81. Cost of Merchandise Sales		$.....	
82.		.....	
83.		.....	
		Sub-Total	.....
9. Depreciation			.....
10. Debenture Debt Charges:			
101. Interest		$.....	
102. Serial Debentures—Principal Instalments		.....	
103. Sinking Fund Debentures—Sinking Fund Requirements		.....	
		Sub-Total	.....
11. Total Expenditures			$.....
12. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX			.....
13. Grand Total Expenditure Section			$.....

Form 47

STREET RAILWAY
Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Transportation:		
11. Passenger	$.....	
12. Freight	.....	
13. Mail	.....	
14. Other: (Specify)		
141.	.....	
142.	.....	
143.	.....	
Sub-Total		$.....
2. Miscellaneous Income: (Specify)		
21. Waiting Room and Car Privileges	$.....	
22.	.....	
23.	.....	
Sub-Total		.....
3. Provided by Municipality from Tax Levy		.....
4. Total Income		$.....
5. Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
6. Grand Total Income Section		$.....

STREET RAILWAY
Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (SR)

EXPENDITURE

1. Administration and General		$.....
2. Way and Structures:		
21. Superintendence	$.....	
22. Maintenance of Track, Trolley, Buildings and Structures	.....	
Sub-Total		.....
3. Equipment:		
31. Superintendence	$.....	
32. Maintenance of Cars, Plant and Other Equipment	.....	
Sub-Total		.....
4. Traffic:		
41. Superintendence	$.....	
42. Advertising and Other Expenses	.....	
Sub-Total		.....
5. Conducting Transportation:		
51. Superintendence	$.....	
52. Power	.....	
53. Operation of Cars	.....	
Sub-Total		.....
6. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Depreciation		.....
8. Debenture Debt Charges:		
81. Interest	$.....	
82. Serial Debentures—Principal Instalments	.....	
83. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
9. Total Expenditures		$.....
10. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit)Account, Exhibit XIX		.....
11. Grand Total Expenditure Section		$.....

BUS LINES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Transportation:			
11. Passenger	$.....		
12. Freight	.....		
13. Mail	.....		
14. Other: (Specify)			
141.	.....		
142.	.....		
143.	.....		
	Sub-Total	$.....	
2. Miscellaneous Income: (Specify)			
21. Waiting Room and Bus Privileges	$.....		
22.	.....		
23.	.....		
	Sub-Total	.....	
3. Provided by Municipality from Tax Levy		.....	
4. Total Income		$.....	
5. Deficit for Year (Excess of Expenditure over Income) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....	
6. Grand Total Income Section		$.....	

BUS LINES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (BL)

EXPENDITURE

1. Administration and General		$.....
2. Buildings, Plant and Equipment:		
21. Superintendence	$.....	
22. Maintenance of Buildings and Shop Equipment	.....	
23. Maintenance of Vehicles	.....	
24. Garage Operating Expenditures	.....	
Sub-Total		.....
3. Traffic Promotion (Advertising, etc.)		.....
4. Transportation:		
41. Superintendence	$.....	
42. Operation of Buses	.....	
Sub-Total		.....
5. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Depreciation		.....
7. Debenture Debt Charges:		
71. Interest	$.....	
72. Serial Debentures—Principal Instalments	.....	
73. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
8. Total Expenditures		$.....
9. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
10. Grand Total Expenditure Section		$.....

Form 49

TELEPHONE SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... (Day) ..... (Month) .....19...

INCOME

1. Telephone Service:			
11. Subscribers and Renters		$.....	
12. Private Branch Exchange		.....	
13. Private Lines		.....	
14. Long Distance Tolls		.....	
15. Other: (Specify)			
151.		.....	
152.		.....	
153.		.....	
	Sub-Total		$.....
2. Miscellaneous Income: (Specify)			
21. Pay Stations		$.....	
22. Directory Advertising		.....	
23.		.....	
24.		.....	
	Sub-Total		.....
3. Provided by Municipality from Tax Levy			.....
4. Total Income			$.....
5. Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX			.....
6. Grand Total Income Section			$.....

TELEPHONE SYSTEM

Income and Expenditure Account

For the Fiscal Year Ended..... ..... 19...
(Day) (Month)

EXHIBIT XX (T)

EXPENDITURE

1. Administration and General		$.....
2. Buildings, Plant and Equipment:		
21. Maintenance	$.....	
22. Operation	.....	
Sub-Total		.....
3. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
31.	$.....	
32.	.....	
33.	.....	
Sub-Total		.....
4. Depreciation		.....
5. Debenture Debt Charges:		
51. Interest	$.....	
52. Serial Debentures—Principal Instalments	.....	
53. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
6. Total Expenditures		$.....
7. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
8. Grand Total Expenditure Section		$.....

Form 50

AIRPORT

Income and Expenditure Account

For the Fiscal Year Ended..... (Day) ..... (Month) 19...

INCOME

1. Airport Facilities:

11. Fees and Rentals	$.....	
12. Repairs and Services	.....	
13. Gas and Oil Sales	.....	
14. Other: (Specify)		
141.	.....	
142.	.....	
143.	.....	
	Sub-Total	$.....

2. Miscellaneous Income: (Specify)

21. Waiting Room and Plane Privileges	$.....	
22.	.....	
23.	.....	
	Sub-Total	.....

3. Provided by Municipality from Tax Levy ....

4. Total Income ..... $.....

5. Deficit for Year (Excess of Expenditure over Income) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX ....

6. Grand Total Income Section ..... $.....

AIRPORT

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (A)

EXPENDITURE

1. Administration and General		$.....
2. Flying Field and Hangars:		
21. Maintenance	$.....	
22. Operation	.....	
Sub-Total		.....
3. Other Buildings and Equipment:		
31. Maintenance	$.....	
32. Operation	.....	
Sub-Total		.....
4. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
41.	$.....	
42.	.....	
43.	.....	
Sub-Total		.....
5. Depreciation		.....
6. Debenture Debt Charges:		
61. Interest	$.....	
62. Serial Debentures—Principal Instalments	.....	
63. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
7. Total Expenditures		$.....
8. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
9. Grand Total Expenditure Section		$.....

Form 51

FERRIES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19....
(Day) (Month)

INCOME

1. Transportation:		
11. Passenger	$.....	
12. Freight	.....	
13. Mail	.....	
14. Other: (Specify)		
141.	.....	
142.	.....	
143.	.....	
Sub-Total		$.....
2. Miscellaneous Income: (Specify)		
21. Waiting Room, Dock and Boat Privileges	$.....	
22. Parks and Attractions	.....	
23.	.....	
24.	.....	
25.	.....	
Sub-Total		.....
3. Provided by Municipality from Tax Levy		.....
4. Total Income		$.....
5. Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
6. Grand Total Income Section		$.....

FERRIES

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (F)

EXPENDITURE

1. Administration and General		$.....
2. General Superintendence		.....
3. Buildings, Plant and Equipment:		
31. Maintenance	$.....	
32. Operation	.....	
Sub-Total		.....
4. Transportation:		
41. Superintendence	$.....	
42. Operation of Boats, Docks, etc.	.....	
Sub-Total		.....
5. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
51. Operation of Parks and Attractions	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Depreciation		.....
7. Debenture Debt Charges:		
71. Interest	$.....	
72. Serial Debentures—Principal Instalments	.....	
73. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
8. Total Expenditures		$.....
9. Surplus for Year (Excess of Income over Expenditure) — Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
10. Grand Total Expenditure Section		$.....

Form 52

CENTRAL HEATING

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Steam Sales:			
11. Residential Sales	$.....		
12. Commercial Sales	.....		
13. Industrial Sales	.....		
14. Sales to Public Authorities (Other than Own Municipality)	.....		
15. Sales to Own Municipality	.....		
16. Other: (Specify)			
161.	.....		
162.	.....		
163.	.....		
Sub-Total		$.....	
2. Miscellaneous Income: (Specify)			
21.	$.....		
22.	.....		
23.	.....		
Sub-Total		.....	
3. Provided by Municipality from Tax Levy:			
31. General or Special Area Rates	$.....		
32. Local Improvement Charges—Owners' Share	.....		
Sub-Total		.....	
4. Total Income		$.....	
5. Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....	
6. Grand Total Income Section		$.....	

CENTRAL HEATING

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (CH)

EXPENDITURE

1. Administration and General		$.....
2. Customers' Billing and Collecting		.....
3. Steam Production:		
31. Maintenance	$.....	
32. Operation	.....	
Sub-Total		.....
4. Distribution:		
41. Maintenance	$.....	
42. Operation	.....	
Sub-Total		.....
5. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
51.	$.....	
52.	.....	
53.	.....	
Sub-Total		.....
6. Depreciation		.....
7. Debenture Debt Charges:		
71. Interest	$.....	
72. Serial Debentures—Principal Instalments	.....	
73. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
8. Total Expenditures		$.....
9. Surplus for Year (Excess of Income over Expenditure)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX.....		.....
10. Grand Total Expenditure Section		$.....

Form 53

SEWER UTILITY

Income and Expenditure Account

(For Use Where the Sewer System is Operated as a Utility)

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Service Charges:			
11. Domestic Users—			
111. Metered	$.....		
112. Flat Rate	.....		
113. Adjudicated	.....		
	Sub-Total	$.....	
12. Commercial Users—			
121. Metered	$.....		
122. Flat Rate	.....		
123. Adjudicated	.....		
	Sub-Total	.....	
13. Industrial Users—			
131. Metered	$.....		
132. Flat Rate	.....		
133. Adjudicated	.....		
	Sub-Total	.....	
14. Suburban Users—			
141. Metered	$.....		
142. Flat Rate	.....		
143. Adjudicated	.....		
	Sub-Total	.....	
15. Public Authorities (Other than Own Municipality) —			
151. Metered	$.....		
152. Flat Rate	.....		
153. Adjudicated	.....		
	Sub-Total	.....	
16. Own Municipality—			
161. Metered	$.....		
162. Flat Rate	.....		
163. Adjudicated	.....		
	Sub-Total	.....	
17. Other: (Specify)			
171. Drainage	$.....		
172. Water or Waste Not Included in Agreement for Furnishing Sewer Services	.....		
173. Connecting Systems	.....		
174.	.....		
	Sub-Total	.....	
2. Miscellaneous Income: (Specify)—			
21. Customers' Forfeited Discounts and Penalties	$.....		
22. Servicing of Customers' Installations	.....		
23. Sales of Effluent	.....		
24. Sales of Gas	.....		
25. Sales of Processed Sludge	.....		
26.	.....		
	Sub-Total	.....	
3. Provided by the Municipality from Tax Levy:			
31. General or Special Area Rates	$.....		
32. Local Improvement Charges—Owners' Share	.....		
	Sub-Total	.....	
4. Total Income		$.....	
5. Deficit for Year (Excess of Expenditure over Income)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....	
6. Grand Total Income Section		$.....	

SEWER UTILITY

Income and Expenditure Account

(For Use Where the Sewer System is Operated as a Utility)

For the Fiscal Year Ended..... .....19...
(Day) (Month)

EXHIBIT XX (S)

EXPENDITURE

1. Administration and General		$.....
2. Customers' Billing and Collecting		.....
3. Sewer Line Expenses:		
31. Maintenance	$.....	
32. Operation	.....	
Sub-Total		.....
4. Sewage Pumping:		
41. Maintenance	$.....	
42. Operation	.....	
Sub-Total		.....
5. Sewage Treatment and Disposal:		
51. Maintenance	$.....	
52. Operation	.....	
Sub-Total		.....
6. Other—Exclusive of Depreciation and Debenture Debt Charges: (Specify)		
61.	$.....	
62.	.....	
63.	.....	
Sub-Total		.....
7. Depreciation		.....
8. Debenture Debt Charges:		
81. Interest	$.....	
82. Serial Debentures—Principal Instalments	.....	
83. Sinking Fund Debentures—Sinking Fund Requirements	.....	
Sub-Total		.....
9. Total Expenditures		$.....
10. Surplus for Year (Excess of Income over Expenditure)—Carried Forward to Surplus (Deficit) Account, Exhibit XIX		.....
11. Grand Total Expenditure Section		$.....

NOTE: Based on Material Published by the Federation of Sewage Works Associations.

PART II — MUNICIPAL ACCOUNTING TERMINOLOGY

MUNICIPAL ACCOUNTING TERMINOLOGY

This section of the Manual contains a glossary of municipal accounting terms and their definitions, which have resulted from the Dominion-Provincial Conferences on Municipal Statistics. It is based largely on the terminology prepared by the National Committee on Municipal Accounting, (now known as the National Committee on Government Accounting) and published by the Municipal Finance Officers Association of the United States and Canada. Appropriate terms and definitions applicable to the Canadian systems of reporting municipal finance were selected from this terminology and modified as felt necessary or desirable, and additional terms were added.

The Committee which initiated this work, being one appointed at the first (1937) Dominion-Provincial Conference on Municipal Statistics, consisted of: G. P. Gordon, Commissioner of Finance, City of Ottawa (Chairman); G. A. Lascelles, Executive Secretary, Treasury Department, City of Toronto; L. Jacobs, Inspector of Municipal Accounts, Saskatchewan; H. H. Walker, Department of Municipal Affairs, Toronto.

Following consideration of this Committee's interim report at the second Conference held in May 1940, a change in the personnel of the Committee was effected to round out all revisions and amendments before final adoption. The new Committee consisted of: G. P. Gordon, Commissioner of Finance, City of Ottawa (Chairman), and L. Jacobs, Director of Municipal Auditing and Accounting, Saskatchewan.

The original Municipal Accounting Terminology was published in 1942, following the third Conference held in December 1940.

Desirable revisions and additional terms to be included therein were considered at the 1947 and 1948 Conferences, and these in turn were finalized by the Continuing Committee as referred to in the introduction on page xv. In making these revisions the Committee also made reference to the *Accounting Terminology for Canadian Practice* of the Dominion Association of Chartered Accountants. The revised Terminology is included in this publication to facilitate its understanding and use in relation to other parts of the Manual.

MUNICIPAL ACCOUNTING TERMINOLOGY

Abatement

Cancellation of a part or the whole of a charge made in the form of taxes or for services.

Accountabilities

Those items for which a person must render an account, although he may not be personally liable for them. For example, a trustee may have disbursed all funds confided to his care and so have relieved himself of liability, but he is still obliged to account for them, and the items are, therefore, accountabilities.

Account Number

See Codification *and* Symbolization.

Accounts Payable

Amounts due and owing on open account whether to other governmental bodies or to individuals, firms or corporations, but not including amounts due to other funds of the municipality.

See also Encumbrances.

Accounts Receivable

Amounts due and owing, on open account, whether by other governmental bodies, individuals, firms or corporations, but not including amounts due from other funds of the municipality.

Accrual Basis

When revenues are accounted for, when earned or due, even though not collected, and expenditures are accounted for as soon as liabilities are incurred, whether paid or not, the system of accounting is said to be on the accrual basis.

Accrue

(Verb) To record as revenue any or all taxes, licences, and other assessments and levies when due, other revenue when earned, and expenditure when incurred, notwithstanding that the receipt of the revenue or payment of the expenditure may take place, in whole or in part, in another accounting period.

Accrued Assets

Revenues earned but not yet due, such as unbilled utility sales accrued since the latest bills were rendered to customers, and accrued interest on investments.

ACCRUED EXPENSES

Expenses that have been incurred up to a given date, but have not been paid and, in some cases, are not payable until a future date.

ACCRUED INCOME

Income that has been earned up to or is due at a given date, but has not been collected. The term is used only in accounting for utilities and other governmental enterprises of a business character.

See also INCOME *and* ACCRUED REVENUE.

ACCRUED LIABILITIES

Amounts representing expenditures applicable to a period up to and including a given date, but not yet payable, e.g., accrued interest on bonds or notes payable.

See also ACCRUED EXPENSES.

ACCRUED REVENUE

Revenue that has been earned up to or is due at a given date, but has not been collected.

ACTIVITY

A specific line of work carried on by a governmental unit in order to perform its functions, e.g., "food inspection" in connection with the function of "health conservation". There may also be internal activities such as "motor repairs", "storerooms", etc.

See also CHARACTER, FUNCTION, *and* OBJECT.

ALLOTMENT

A portion of an appropriation or special fund set aside to cover expenditures and encumbrances for a certain period or purpose.

ALLOTMENT LEDGER

A subsidiary ledger containing an account with each allotment, showing the amount allotted, the expenditures, the encumbrances, and the unencumbered balance of each allotment.

See also APPROPRIATION LEDGER.

ALLOWANCE

A deduction from revenues and assets due to some modifying circumstance. For example, deductions from selling price on account of imperfection of goods.

AMORTIZATION

(1) Gradual reduction, redemption, or liquidation of the balance of an account according to a specified schedule of times and amounts.

(2) Provision for the extinguishment of a debt by means of a sinking fund (q.v.).

ANNUITY DEBENTURES

See SERIAL DEBENTURES.

APPORTIONMENT

See ALLOTMENT.

APPROPRIATION

An authorization by the legislative body to make expenditures and incur liabilities for specific purposes.

NOTE: *An appropriation is usually limited in amount and as to the time when it may be expended.*

APPROPRIATION BALANCE

See UNENCUMBERED BALANCE *and* UNEXPENDED BALANCE.

APPROPRIATION EXPENDITURES

Expenditures made from an appropriation.

APPROPRIATION LEDGER

A subsidiary ledger containing an account with each appropriation, showing the amount appropriated, the expenditures, the encumbrances, and the unencumbered balance of each appropriation; or if allotments are made and a separate ledger maintained therefor, the appropriations, the allotments, and unallotted balance of each appropriation.

See also ALLOTMENT LEDGER.

APPROPRIATION BY-LAW

A by-law (q.v.) by which appropriations are legally made.

NOTE: *It is by such by-law or by-laws that the expenditure side of the "budget" (q.v.) becomes legal.*

ASSESSED VALUATION

A valuation set upon real estate or other property as a basis for levying taxes.

ASSESSMENT

In general, the official act in determining the values as applied to property, business, income, etc.

ASSESSMENT ROLL

An official list showing the assessment valuation of each parcel of real property in an assessment district, with descriptions of properties, and names of all known owners, also the valuation for personal property, business, income and other purposes.

NOTE: *There may be a combined assessment and tax roll.*

ASSETS

The entire property of all kinds of a municipality, including both current assets and fixed assets.

NOTE: *Conventionally, debit balances subject to final disposition, such as deferred charges and prepaid expenses, are classified as assets at closing periods, even though the stated values may not represent the realizable values.*

AUDIT

In the absence of any expression defining the extent to which it has been limited, an audit is understood to be an examination of the subject matter of the accounting in all its financial aspects, including, so far as the several classifications of accounts may be involved, the verification of assets, liabilities, receipts, disbursements, revenues, expenditures, reserves, and surplus, and their application, in such detail as may be necessary in the circumstances for each individual case, to permit certification of the statements rendered and of the accountability of the fiduciary parties.

AUDIT PROGRAM

A detailed description of work to be done in any given audit.

AUDITED VOUCHER

A voucher which has been examined and approved for payment.

See also ACCOUNTS PAYABLE.

AUDITOR'S CERTIFICATE

A statement signed by the auditor stating that he has examined the accounting records and purporting to express his opinion, based on such examination, regarding the financial condition of the municipality or any of its enterprises, the results from operations, and any facts that the auditor in his professional capacity has investigated.

See also QUALIFIED CERTIFICATE *and* UNQUALIFIED CERTIFICATE.

AVAILABLE CASH

The excess of cash of a given fund in the treasury over immediate demands and reserves against cash; that is, the actual cash in the treasury belonging to a given fund after deducting the amount of unpaid vouchers and claims approved for payment, outstanding warrants, and reserve accounts for definite purposes.

AVAILABLE SURPLUS

That portion of unappropriated surplus which has been realized and can be utilized immediately.

BALANCE SHEET

A statement showing the financial position of a fund or government at a specified date, ordinarily prepared from books kept by

double entry. If a single balance sheet is prepared for several funds, it may be in columnar or sectional form so as to exhibit the accounts of each fund individually.

Balance-Sheet Audit

A balance-sheet audit consists of the verification as of a given date, of the assets, liabilities, surplus, and all reserve accounts including, as incidental thereto, such examination of the operations as may be necessary to give credence to the stated financial condition. It does not include the detailed vouching of all receipts and disbursements or all details of revenues and expenditures, nor does it establish the accountability of the fiduciary parties, except broadly. It should be accompanied by a report stating the nature and extent of the verifications that have been made, drawing attention to any items requiring explanation or comment, and by a certificate stating the opinion of the auditor as to the correctness or incorrectness of the statement submitted.

Bond

An instrument issued by a government or corporation as evidence of a debt or obligation, contingent or otherwise. Such instrument issued by a municipality in Canada is generally called a debenture (q.v.) which term is preferable to bond.

Bonded Debt

See Debenture Debt.

Bonded Indebtedness

See Debenture Debt.

Bond Fund

See Debenture Fund.

Book Value

Value, as shown by books, regardless of whether such value is understated or overstated.

Note: *In the case of assets that are being depreciated, book value refers to costs or stated value less the reserve for depreciation.*

Books of Original Entry

Those books in which the various entries are formally recorded for the first time usually for the purpose of distribution or summarization but always for the purpose of transfer to a book of final entry.

Memorandum books, cheque stubs, files of duplicate sales invoices, etc., whereon first or prior business notations may have already been made, are not books of first (original) entry in the accepted meaning of the term, unless they are also used as the mediums for direct posting to the ledgers.

BUDGET

An estimate of proposed expenditures for a given period or purpose and the means of financing them, as expressed in appropriation and revenue acts, by-laws, or resolutions.

BUDGETARY ACCOUNTS

Those accounts necessary to reflect budget operations and condition, such as estimated revenue, appropriations, and encumbrances, as distinct from the proprietary accounts (q.v.).

BUDGETARY CONTROL

The control or management of a governmental unit or enterprise in accordance with an approved budget with a view to keeping expenditures within the limitations of available appropriations or revenues.

BY-LAW

A regulation or law adopted by a municipal corporation for government in the conduct of its own affairs.

CALLABLE DEBENTURES

A type of debenture that permits the municipality to pay an obligation before the stated maturity date.

Synonym: OPTIONAL BONDS

CAPITAL ASSETS

See FIXED ASSETS.

CAPITAL EXPENDITURES

Expenditures that result in the acquisition of or additions to fixed assets.

NOTE: *Capital Expenditures on roads, streets and highways shall be deemed to include:* (a) *new construction;* (b) *acquisition of land and rights-of-way;* (c) *major improvements, such as elevating, surfacing, widening, etc. All other road, street or highway expenditure shall be considered "Maintenance"* (*q.v.*).

CAPITAL OUTLAY

See CAPITAL EXPENDITURES.

CAPITAL RESOURCES

Resources of a fixed or permanent character, such as land and buildings, which cannot ordinarily be used for meeting expenditures of a current or operating nature.

CAPITAL SURPLUS

This term should not be used in municipal accounting.

See INVESTMENT IN CAPITAL ASSETS

CASH

Money, including currency and other forms of exchange, on hand, or on deposit in a bank or other depository.

NOTE: *All cash must be accounted for as a part of the fund to which it belongs. Any restrictions or limitations as to its availability should be indicated.*

CASH AUDIT

An audit limited to the verifications of cash transactions for a stated period, for the purpose of determining that all cash received has been brought into account and that all disbursements are properly authorized and vouched. A cash audit is detailed in character but limited in scope. It is concerned with the sources of receipts and the nature of disbursements only to substantiate their accuracy. Such an audit establishes the accountability of the persons charged with responsibility for cash. A certificate may be given in appropriate form of a summary of the cash transactions for the period.

CASH BASIS

When revenues are accounted for when received in cash, and expenditures are accounted for when paid, the system of accounting is said to be on the cash basis.

CASH DISCOUNT

An allowance made on an account if paid within a stated period.

NOTE: *The term is not to be confused with "trade discount" (q.v.).*

CERTIFICATE OF INDEBTEDNESS

See DEBENTURE.

CHARACTER

As applied to an expenditure classification, this term refers to the relationship of expenditures to current, prior, and future fiscal periods, i.e., whether the expenditure is an expense, provision for the retirement of debt, or a capital outlay.

See also ACTIVITY, FUNCTION *and* OBJECT.

CHEQUE

A cheque is a bill of exchange drawn on a bank payable on demand. It is an order in writing upon a bank for the payment on demand of a specified amount of money usually to a specified person or order from money on deposit at the credit of the maker.

A cheque differs from an ordinary bill of exchange in that it is (1) due on presentation, (2) payable on demand. It differs from a voucher in that the latter may show the propriety of a payment or may show that a payment has been made, but is not an order to pay.

See also VOUCHER-CHEQUE.

CODE

See CODIFICATION.

CODIFICATION

Numbering, or otherwise designating, accounts, entries, invoices, vouchers, etc., in such a manner that the symbol used reveals certain essentials. For example, the symbolization (q.v.) of accounts; numbering monthly recurring journal entries so that the numbers indicate the month and the nature of the entry; numbering invoices or vouchers so that the number reveals the date of entry.

See also SYMBOLIZATION

COLLECTOR'S ROLL

See TAX ROLL.

COMMITMENTS

See ENCUMBRANCES.

COMPLETE AUDIT

One in which the examination extends to a verification of the details of all the books of account, including subsidiary records and all supporting vouchers, as to mathematical accuracy, complete accountability, and correctness of accounting principle.

CONTINGENT LIABILITIES

Items that may become liabilities as a result of conditions undetermined at a given date, such as guarantees, pending law suits, judgments under appeal, unsettled disputed claims, unfilled orders, and uncompleted contracts.

NOTE: *All contingent liabilities should be shown on the face of the balance sheet in a footnote thereto.*

CONTINGENT RESERVE FUND

A fund set apart to provide for unforeseen expenditures, or for anticipated purposes of uncertain amount.

NOTE: *The term should not be used to describe a reserve for contingencies. The latter is set aside out of a fund but does not constitute a separate fund.*

CONTINUOUS AUDIT

One in which the detail work is performed either continuously or at short, regular intervals throughout the fiscal period, usually at the shortest intervals (e.g., weekly or monthly) at which subsidiary records are closed and made available for audit in controllable form. Such "continuous" work leads up to the completion of the audit upon the closing of the accounting records at the end of the fiscal period.

A continuous audit differs from a periodical audit, even though the detail work be performed, for example, monthly, in that no report

is made, except of irregularities detected and adjustments found to be necessary, until the end of a complete fiscal period, and, further, in that the certification of balance-sheet figures, as such, may be deferred until the fiscal closing. A continuous audit is not necessarily a complete audit, but may be limited in scope according to understanding and to meet the requirements of the case.

Controlling Account

An account, usually kept in the General Ledger, which receives the aggregate of the debit and of the credit postings to a number of identical, similar or related accounts called subsidiary accounts, so that its balance equals the aggregate of the balances in these accounts.

Note: *It serves as a check upon the mathematical accuracy of the detail ledger account postings and frees the control ledger of a mass of detail.*

See also General Ledger *and* Subsidiary Accounts.

Cost Ledger

A subsidiary record wherein each project, job, production centre, process, operation, product, or service is given a separate account whereto all items entering into its cost are posted in the required detail. Such accounts should be so arranged and kept that the results shown in them may be reconciled with and verified by a control account or accounts in the general books.

Cost Records

All ledgers, supporting records, schedules, reports, invoices, vouchers, and other records and documents reflecting the cost of a project, job, production centre, process, operation, product, or service.

Cost Unit

The quantity, or amount, that is selected to form a yardstick by means of which the cost of a given piece of work may be compared with a standard cost (q.v.) or with the cost of similar work. For example, a square yard of pavement or sidewalk.

Current Assets

Those assets owned by a local government that are available to meet the cost of operations or to pay current liabilities of the government. The term includes all shifting and changeable assets, such as cash, taxes receivable, accounts receivable, notes receivable, temporary investments, and supplies or stores kept for subsequent use.

Current Deficit

The excess of current liabilities and reserves over current assets of the general fund (q.v.) or any special revenue fund (q.v.).

Current Liabilities

Liabilities that are payable immediately or in the near future out of current resources, as distinguished from long-term liabilities to be met out of future resources.

See also Floating Debt.

Current Resources

Resources to which recourse can be had to meet obligations and expenditures such as: current assets, estimated revenues not yet realized, transfers from other funds authorized but not received, and, in case of certain funds, debentures authorized and unissued.

Current Surplus

The excess of current assets over current liabilities and reserves of the general fund (q.v.) or any special revenue fund (q.v.).

Current Taxes

Taxes of the fiscal year for which they are levied.

Debenture

A written promise to pay a specified sum of money called the par value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, payable at certain stipulated periods, generally semi-annually.

Debenture Debt

That portion of the indebtedness represented by its outstanding debentures. Preferred to Bonded Debt or Funded Debt.

Debenture Discount

The amount by which the par value of a debenture is in excess of the price realized when it is sold.

Debenture Fund

A fund established to receive and disburse the proceeds of a debenture issue.

Debenture Premium

The amount by which the price realized for a debenture when it is sold is in excess of the par value.

Debenture Register

A register showing the names and addresses of the holders, the par value of the principal amounts, and the maturity dates and numbers of the debentures registered in names of such holders.

DEBENTURES AUTHORIZED AND UNISSUED

Debentures which a municipality can issue without further proceedings other than to direct their sale.

DEBT

Anything owing by one person to another, including governmental bodies, firms or corporations.

DEBT CHARGES

The amount of money necessary annually to pay the interest on the outstanding debt, and the principal of maturing bonded debt not payable from a sinking fund (q.v.) and to provide a fund for the redemption of bonds payable from a sinking fund.

DEBT LIMIT

The maximum amount of debt that a governmental unit may legally have outstanding.

DEBT SERVICE

See DEBT CHARGES

DEFERRED ASSETS

See DEFERRED CHARGES *and* PREPAID EXPENSES.

DEFERRED CHARGES

Expenditures that are not chargeable to the period in which they were made, but are set up as assets that are to be amortized although they may have no market value or tangible existence. They may include such items as discount on bonds issued and other charges held in suspense until distribution is accomplished.

See also PREPAID EXPENSES.

DEFERRED CREDITS

See DEFERRED INCOME.

DEFERRED DEBITS

See DEFERRED CHARGES *and* PREPAID EXPENSES.

DEFERRED INCOME

Income that has been received, but is applicable to a future period.

DEFICIENCY

A general term indicating the amount by which anything falls short of some requirement or expectation. Should not be used without qualification.

Deficit

The excess of the liabilities and reserves of a fund over its assets; or the excess of the obligations, reserves, and unencumbered appropriations of a fund over its resources.

Delinquent Taxes

Taxes remaining unpaid subsequent to the last date on which they may be paid before being subject to penalty for non-payment.

Deposit

Money deposited with a banker, either as a general deposit subject to cheque or as a special deposit made for some specified purpose.

Note: *The term is also used to designate securities lodged with a banker or other person for some particular purpose. In municipal accounts, the word is used also to indicate sums deposited by customers for electric meters, water meters, etc., and by contractors and others to accompany and guarantee their bids.*

Depreciation

Loss in value of fixed assets, other than wasting assets, due to wear and tear and obsolescence.

Note: *The practice of depreciating general fixed assets of a municipality is NOT recommended. Depreciation of fixed assets of utilities and other municipal enterprises of a business or commercial nature should, however, be accounted for according to recognized commercial practice.*

Detailed Audit

This is similar to a complete audit, but usually a series of tests is substituted for a complete audit of every entry. An audit may be detailed and yet limited in scope, e.g., a cash audit.

The form of report will depend on the scope of the work, but, as far as the work goes, it will follow the corresponding portion of a report of a complete audit.

Direct Charges

See Direct Expenses.

Direct Debt

A debt that a municipal corporation has incurred in its own name and any debt assumed through the annexation of territory or otherwise.

Direct Expenses

Those expenses that can be charged directly as a part of the cost of a product or service, or of a department or operating unit, as distinguished from overhead and other indirect costs which must be prorated among several products or services, or departments or operating units.

Disbursements

Payments in cash regardless of the purpose.

Double Entry

A system of bookkeeping based on the fundamental theory that every business transaction has a two-fold aspect and, therefore, a complete record is obtained by entering equal amounts to the debit of one or more accounts and to the credit of another account or accounts.

Earnings

See Income *and* Revenue.

Encumbrances

Obligations in the form of purchase orders or contracts which are to be met from an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or approved for payment.

Endowment Fund

A fund whose principal must be maintained inviolate, but whose income alone may be expended.

Entry

The record of a financial transaction in its appropriate book of account. The act of recording a transaction upon the financial records.

Equipment

Physical property of a more or less permanent nature, other than land, buildings, or improvements to either of these. Examples are machinery, tools, trucks, cars, ships, furniture and furnishings.

Estimated Revenue

The amount of revenue estimated to accrue or to be received during a given period.

Exhibits

The accounts, statements, and other papers that accompany and are a part of a financial report. Sometimes the term is used only for the balance sheet or other principal statements.

See also Schedules *and* Statements.

Expendable Fund

A fund whose resources may be expended or extinguished in accordance with general or specific rules and regulations.

Expenditures

Amounts paid or incurred for all purposes, including expenses, provision for retirement of debt, and capital outlays.

Synonym: Outlay

NOTE: *If the accounts are kept on the "cash basis" (q.v.) the term covers only actual disbursements. If the accounts are kept on the "accrual basis" (q.v.) the term also includes charges incurred but not paid.*

EXPENSES

Expenditures for operation, maintenance, interest, and other current purposes from which no permanent or subsequently convertible value is derived.

EXTRAORDINARY EXPENDITURES CAPITALIZED

Expenditures which, while financed out of capital borrowings and thereby not reflected in the general expenditure account, do not leave behind or result in the acquisition of any fixed or tangible asset, such as relief financing, accumulated deficits, special consumption or production bonuses or subsidies, emergencies occasioned by flood, famine, earthquake or explosion.

FISCAL PERIOD

Any period at the end of which a municipality closes its books in order to determine its financial condition and the results of its operations.

NOTE: *It is usually a year, though not necessarily a calendar year.*

FIXED ASSESSMENT

A valuation for taxation purposes determined for a fixed period of years.

FIXED ASSETS

Assets of a permanent character having continuing value, such as land, buildings, machinery, furniture and other equipment.

NOTE: *The term "fixed assets" denotes probability or intent to continue use or possession. It does not indicate the immobility of an asset, which is the distinctive characteristic of "fixture" (q.v.). The term "capital assets" is sometimes used in the same sense, but "fixed assets" is preferred.*

In addition to the above types of fixed assets, there are also municipal improvements such as sewers, sidewalks, streets, etc.

See CAPITAL EXPENDITURES.

FIXED CHARGES

Those expenditures of the current period which are more or less inevitable and continuous. This term is also frequently used in the narrower sense to designate debt charges requiring to be met by by-law, such as debenture interest and principal.

FIXTURES

Attachments to buildings that cannot be removed without damage to the latter.

NOTE: *Those fixtures with a useful life presumed to be as long as that of the building itself are considered a part of such building; all others are classed as equipment.*

FLOATING DEBT

Obligations (except bonds) payable on demand or at an early date. The latter are usually in the form of accounts payable, bank loans, notes and obligations of such nature.

See also CURRENT LIABILITIES.

FLOATING INDEBTEDNESS DEBENTURES

Debentures issued to pay floating debt, and debentures issued for the purpose of securing funds to pay callable debentures.

FORFEITURE

The confiscation by the government of deposits held in trust for the purpose of enforcing contracts or of compensating against damages or losses.

FRACTIONAL ASSESSMENT

Assessment at a fraction of full value or of such other standard as may be fixed by law.

NOTE: *Fractional assessment may constitute under-assessment, or it may be sanctioned by law where certain types of property are legally assessable at a fixed percentage of full value.*

FRANCHISES

Privileges that permit the continuing use of public property, such as city streets, and usually involve the element of regulation.

FUNCTION

A group of services aimed at accomplishing a certain purpose or end, e.g., protection to persons and property.

See also ACTIVITY, CHARACTER, *and* OBJECT.

FUND

A sum of money or other resources (gross or net) set aside for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. A fund is a distinct financial or fiscal entity.

NOTE: *See* RESERVE

FUND ACCOUNTS

All accounts necessary to set forth the operations and condition of a fund.

FUND ASSETS

Assets belonging to a particular fund.

FUND BALANCE SHEET

A balance sheet of a given fund.

NOTE: *The term has often been used in the past to describe a statement of fund resources, obligations, and balances, but a more correct term for such a statement would be "statement of budgetary resources, obligations, and unappropriated surplus".*

FUND GROUP

A group of funds of a similar character which are brought together for administrative and reporting purposes, e.g., trust or sinking funds pooled for investment purposes.

FUND LIABILITIES

Liabilities of a fund which are to be met out of its resources.

FUND OBLIGATIONS

The obligations to be met out of the resources of a particular fund.

FUND SURPLUS

The net surplus of a fund, that is, the excess of its resources over its obligations and reserves. The term should not be used without qualification.

See also AVAILABLE SURPLUS, CURRENT SURPLUS, *and* INVESTMENT IN CAPITAL ASSETS.

FUNDED DEBT

The same as DEBENTURE DEBT (q.v.), which is the preferred term.

FUNDED DEFICIT

A deficit eliminated through the sale of bonds issued for that purpose.

GENERAL FUND

A fund that is unrestricted as to use and, therefore, available for any purpose.

This term is also used to designate the fund to which the amounts levied for in the tax rate are credited, and against which all expenditures of the relative municipal activities are charged.

GENERAL LEDGER

An accounting record containing accounts in which are recorded in detail or in summary all the transactions of the organization unit for which such accounts are kept.

NOTE: *In "double-entry" (q.v.) bookkeeping the debits equal the credits and therefore the debit balances equal the credit balances.*

See also CONTROLLING ACCOUNT, SUBSIDIARY ACCOUNTS, *and* SUBSIDIARY LEDGER.

GOVERNMENTAL ACCOUNTING

The preparation and keeping of accounts for governmental bodies.

GRANTS IN AID

Donations or contributions, usually by a superior governmental unit, for specified purposes, such as the support of some institution in which the public is interested or which is devoted to the public welfare, or as provincial government aid for education, unemployment relief, or other purposes.

GROSS BONDED DEBT

The total bonded debt without deductions.

GROSS DEBT

The total debt without deductions.

GROSS DEBENTURE DEBT

The total amount of debenture debt including debentures assumed.

See also DEBENTURE DEBT *and* DIRECT DEBT.

GROSS INCOME

Income of municipal utilities and other governmental enterprises of a business character from all sources whatsoever before deductions.

See also REVENUE.

GROSS REVENUE

See REVENUE.

IMPREST FUND

A sum of money to be used for minor disbursements, the amount of the fund being fixed.

NOTE: *The fund is reimbursed by other funds of the enterprise for payments made from it, the vouchers then being surrendered. At all times, the cash on hand, plus vouchers not reimbursed, should equal the fixed amount of the fund.*

See also PETTY CASH *and* REVOLVING FUND.

IMPROVEMENTS

Buildings and structures and other appurtenances such as sidewalks, trees, drives, tunnels, drains, and sewers.

INCOME

For the definition of this term in accounting for municipal utilities and other governmental enterprises of a business character, see GROSS INCOME and NET INCOME. As it relates to other municipal activities, the term is synomymous with REVENUE.

INDEPENDENT AUDITOR

An auditor not connected with the staff of the governmental unit whose accounts are being audited.

INDIRECT CHARGES

See OVERHEAD.

INSTALMENT DEBENTURES

See SERIAL DEBENTURES.

INTER-FUND ACCOUNTS

Accounts made up of transactions between funds.

See also INTER-FUND TRANSFERS.

INTER-FUND TRANSFERS

Amounts transferred from one fund to another.

INTERNAL AUDIT

An audit made by persons on the staff of the governmental unit whose accounts are being audited.

NOTE: *An internal audit is usually a continuous audit.*

INTERNAL CHECK

An accounting method or procedure so designed that the work of one employee is complementary to that of another, thus providing a continuous audit by the employees on the accuracy of their accounting work.

INVENTORY

A detailed list showing quantities, descriptions, and values of property. It may also include units of measure and unit prices.

NOTE: *The term is often confined to consumable supplies but may also cover fixed assets.*

INVESTIGATION

A special examination of books and records.

NOTE: *The proper use of the word "investigation" in accountancy implies some particular object to be gained or particular result to be stated. It indicates something different from an audit and it is seldom necessary to qualify it by the addition of "special" or any similar adjective.*

INVESTMENTS

Securities, including those issued by the governmental unit, or other property, in which money is invested either temporarily or permanently.

INVESTMENT IN CAPITAL ASSETS

The excess of assets (including deficits and extraordinary expenditures capitalized) over liabilities and reserves in the Capital and Loan Funds. It represents the municipality's equity in capital assets, in this instance, of the general section only, i.e., exclusive of schools, utilities and other municipal enterprises, and other local authorities.

See CAPITAL SURPLUS.

INVESTMENTS IN DEFAULT

Bonds, notes, mortgages, or other negotiable or non-negotiable instruments on which there exists a default in the payment of principal or interest. Investments may be in default as to principal or interest, or both.

INVOICE

A statement from a vendor setting forth details as to quantity, price, and other necessary particulars with reference to goods sold to a purchaser.

JOB ACCOUNT

An account pertaining either to an operation that occurs regularly (a "standing job"), or to a specific piece of work (a "job order"), showing all charges for material and labour used, and expenses incurred, together with any allowances or other amounts which may be credited.

JOURNAL VOUCHER

A voucher provided for the recording of certain transactions or information in place of or supplementary to the journals or registers.

JUDGMENTS

Amounts due to be paid or collected by a government unit as the result of court decisions, including awards in payment for private property taken for public use.

LAPSE

(Verb) As applied to appropriations, it denotes termination of an appropriation.

NOTE: *An appropriation is made for a certain period, and, at the end of this period it is said to lapse and the unencumbered balance thereof must be reappropriated unless otherwise provided by law.*

LEVY

(Verb) To impose taxes or special assessments.

(Noun) The total of taxes or special assessments imposed by a governmental unit.

LIABILITIES

Debts or other legal obligations which must be liquidated in cash or renewed or refunded upon some future date.

NOTE: *The item should include all obligations outstanding whether they have become due or not.*

LOANS RECEIVABLE

Amounts owing but not necessarily due whether by other governmental bodies, individuals, firms or corporations, as a result of monies being loaned out of borrowed or other available funds (distinguish from accounts receivable (q.v.) which implies the supplying of goods or rendering of a service for which a charge is made without involving transfer of funds; and "advances receivable" which implies liability at a future date in respect of which payment is made in advance).

LOCAL IMPROVEMENTS

Works, undertaken by a government of a local nature, such as sewers, sidewalk pavements, roadways, etc., the costs of which may be borne in whole or in part by the benefiting properties.

LOCAL IMPROVEMENT DEBENTURES

Debentures issued for works undertaken as local improvements, the interest and maturing principal in connection with which are met, in accordance with the terms under which the debentures are issued, for the municipality's share from general tax levy, and the ratepayers' share from special assessment (q.v.).

LUMP SUM APPROPRIATION

An appropriation made for a stated purpose, or for a named department, without specifying further the amounts that may be spent for particular objects of expenditure, e.g., an appropriation for the police department that does not specify the amounts to be spent for salaries and wages, travel, equipment, etc.

MAINTENANCE

Expenditures made to keep physical properties in condition for use or occupancy.

NOTE: *"Deferred" maintenance, and improvements of a major nature which have arisen from a lack of maintenance, should be included.*

MUNICIPALITY'S SHARE OF LOCAL IMPROVEMENTS COSTS

An account that represents the amount to be contributed by the municipality from general revenues, general bond issues, or from a

special tax levy to cover that part of the cost of an assessment improvement considered to be of benefit to the community as a whole.

NET DEBENTURE DEBT

As applied to the municipality as a whole, the gross debenture debt less the sinking funds available for the payment of that debt.

See also GROSS DEBENTURE DEBT.

NET INCOME

The excess of gross income (q.v.) over all expenses deductible therefrom.

NET OPERATING INCOME

See OPERATING INCOME.

NET OPERATING PROFIT

See OPERATING INCOME.

NON-OPERATING INCOME

Income of municipal utilities and other governmental enterprises of a business character that is not derived from the operation or use of assets employed by such enterprises.

NON-PRODUCTIVE ASSETS

Assets which do not lead directly to the production of revenue.

NON-REVENUE RECEIPTS

Collections, other than revenue (q.v.), such as receipts from the sale of assets, from loans, recoverable expenditures, or special assessment collections.

NOTES PAYABLE

In general, an unconditional written promise signed by the maker, to pay a certain sum in money, at a fixed or determinable future time, either to the bearer or to the order of a person designated therein. Preferred to BILLS PAYABLE.

NOTES RECEIVABLE

Negotiable instruments of a promissory nature which are payable to a governmental unit, either directly or by endorsement. Preferred to BILLS RECEIVABLE.

NOTE: *While in a legal sense, a note receivable may be merely a promise to pay and is not necessarily negotiable, the term "notes receivable" when used in a balance sheet, means negotiable notes that the holder has received in the course of business.*

OBJECT

As used in an expenditure classification, it applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures), e.g., personal services, materials, supplies, and equipment.

See also ACTIVITY, CHARACTER, *and* FUNCTION.

OBLIGATIONS

Amounts that may be legally required to be met out of resources including unliquidated encumbrances.

OPERATING EXPENSE

As used in the accounts of municipal utilities and other governmental enterprises of a business character, the term means such expenses as are necessary to the maintenance of the enterprise, the rendering of services for which operated, the sale of merchandise, the production and disposition of commodities produced, and the collection of the revenues.

Sometimes used to describe expenses for ordinary governmental purposes.

OPERATING INCOME

Income derived from the operation, or as a compensation for the use, of assets employed in municipal utilities or other governmental enterprises of a business character.

OPERATING PROFIT

See OPERATING INCOME.

OPTIONAL BONDS

See CALLABLE DEBENTURES.

ORDINANCE

See BY-LAW.

OUTLAY

Synonym: EXPENDITURE

See also CAPITAL OUTLAY.

OVERDRAFT

(1) The amount by which cheques, drafts, or other demands for payment on the treasury or on a bank exceed the amount of the credit against which they are drawn.

(2) The amount by which requisitions or audited vouchers exceed the appropriation or other credit to which they are chargeable.

OVERHEAD

All those elements of indirect cost necessary in the production of an article or the performance of a service, which are of such nature

that the amount applicable to each unit of product or service cannot be determined readily or accurately. Usually they relate to those objects of expenditure that do not become an integral part of the finished product or service, such as rent, heat, light, supplies, management, supervision, etc.

Partial Audit

A term used to describe (1) a special examination of some portion of a set of accounts or records or of all the accounts for an incomplete period, such work being the subject of specific instructions describing and limiting its extent; or (2) less exactly, a test of the detailed transactions made in conjunction with a balance-sheet audit.

Pay-As-You-Go-Plan

A plan of financing all current operating and capital outlay expenditures out of current revenue as distinguished from financing by the sale of debentures.

Pension Fund

A fund out of which pensions are to be paid to those entitled thereto either by agreement or arrangement.

Petty Cash

A sum of money, either in the form of currency or a special bank deposit, set aside for the purpose of making change or immediate payments of comparatively small amounts for which it is subsequently reimbursed from the cash of a fund, on submission of supporting vouchers.

See also Imprest Fund.

Posting

The act of transferring to an account in a ledger the data, either detailed or summarized, contained in a book or document of original entry.

Pre-Audit

Examination and approval of accounts by an auditor before expenditures in connection with them are made.

Prepaid Expenses

Expenses that have been entered in the accounts for benefits not yet received, such as prepaid rent, prepaid interest, and premiums on unexpired insurance.

See also Deferred Charges.

Prepayment of Taxes

The system of depositing with a municipality sums of money to be applied to the taxes of the depositor when such taxes are levied.

PRIVATE TRUST FUND

A trust fund (q.v.) arising from private sources, such as special deposits and endowment funds.

PRODUCTIVE ASSETS

Assets used in the course of business to produce revenue.

PROJECT

A unit of construction work the cost of which is accounted for separately from other work. It is usually financed by budget appropriations, by special assessments, or by bond issues.

PROPRIETARY ACCOUNTS

Those accounts necessary to reflect the assets and liabilities, and which display the results of operations in terms of revenue, expenditure, surplus, or deficit.

See also BUDGETARY ACCOUNTS.

PUBLIC TRUST FUND

A trust fund (q.v.) arising from public sources.

PURCHASE ORDER

A document executed by a municipality authorizing a vendor to deliver specified merchandise and to make a charge therefor.

QUALIFIED CERTIFICATE

An auditor's certificate in which the auditor states he has not verified certain items or is unable to do so, or that in his opinion the statements do not accurately or fully reflect actual conditions, or that the information furnished him is not considered sufficient to enable him to reach a conclusion.

RATEPAYERS' SHARE OF LOCAL IMPROVEMENTS

That portion of the cost of local improvement works met by special assessment against the owners of properties specially benefiting from such improvements. The remaining portion is met by the ratepayers at large in the general tax levy, or in some cases, by adjoining municipalities where benefited.

REBATES

Abatements (q.v.) or refunds (q.v.).

RECEIPTS

What is actually received. It indicates cash (from all sources) unless otherwise described.

RECONSTRUCTION AND REHABILITATION

Alterations so extensive as to go beyond reasonable conception of repairs and improvements (including rearrangements and alterations). Rehabilitation also may be described as expenses to restore or improve buildings or equipment purchased in a run-down condition.

RECOVERABLE EXPENDITURES

Expenditures made for or on behalf of another governmental unit, fund, or department, or for a private individual, firm, or corporation, which will subsequently be recovered in cash or its equivalent.

REFUND

(Noun) An amount paid back or credit allowed on account of an over-collection.

(Verb) To pay back or allow credit for an amount on account of an over-collection.

(Verb) To provide for the payment of a loan through cash or credit secured by a new loan.

REFUNDING DEBENTURES

Debentures issued to retire debentures already outstanding or in default. The refunding debentures may be sold for cash and outstanding debentures or debentures in default, redeemed in cash, or the refunding debentures may be exchanged with holders of outstanding debentures or debentures in default.

REGISTERS

Records for the consecutive entry of a certain class of events, documents, or transactions, with a proper notation of all the required particulars.

NOTE: *The form of a register for accounting purposes varies from a one-column to a multicolumnar sheet of special design whereon the entries are distributed, summarized, and aggregated, usually for convenient posting to the accounts.*

REIMBURSABLE EXPENDITURES

See RECOVERABLE EXPENDITURES.

REIMBURSEMENT

Cash or other assets received as a repayment of the cost of work or services performed, or of other expenditures made for or on behalf of another governmental unit, fund, or department.

REPAIRS

Usually a part of maintenance (q.v.).

REPLACEMENTS

Expenditures made to replace a part or all of a fixed asset. If the expenditure does not increase the original value of the asset, it is a

part of maintenance (q.v.). If it increases the original value of the asset, it is a capital outlay (q.v.) to the extent of the increase.

REPORT

(Noun) A written or verbal formal statement (q.v.).

(Verb) To make, prepare, or present a written or verbal formal statement.

REQUISITION

A demand or request, usually from one department to the purchasing officer or to another department, for specified articles or services.

RESERVE

An amount set aside out of the revenue or surplus of a fund to provide for estimated future expenditures, for undetermined losses or liabilities, for working capital, or for other specified purposes.

NOTE: *See* FUND.

RESERVE FOR DEPRECIATION

The accumulation of periodical credits made to record the estimated reduction in the value of certain assets due to wear and tear through use or obsolescence.

NOTE: *When such a reserve is set up, it should be shown on the balance sheet as a deduction from the assets to which it relates so as to show the book value of the assets on a depreciated basis.*

RESERVE FOR RENEWALS AND REPLACEMENTS

A reserve set aside to provide for the renewal or replacement of fixed assets.

NOTE: *Such a reserve is usually built up by adding approximately equal annual amounts throughout the estimated useful life of the asset, so that the cost of renewing or replacing assets at irregular intervals may be spread equitably over the period of their usefulness.*

RESERVE FOR RETIREMENT OF SINKING FUND DEBENTURES

A reserve representing the amount of cash and other resources which should have been accumulated at a certain date in order eventually to redeem bonds outstanding.

See also SINKING FUND.

RESERVE FOR UNCOLLECTED TAXES

A reserve created by provision being made in the yearly estimates for taxes which may not be collected during the year.

RESERVE FOR UNCOLLECTIBLE TAXES

A provision in the yearly estimates for that part of taxes which it is estimated, will never be collected.

RESOURCES

All the assets owned by a governmental unit including land, buildings, cash, etc., as well as estimated revenues not realized and, in case of certain funds, bonds authorized and unissued.

See also CAPITAL RESOURCES *and* CURRENT RESOURCES.

RESTRICTED RECEIPTS

Receipts (q.v.) earmarked for specific purposes.

REVENUE

Additions to cash or other current assets that do not increase any liability or reserve, nor represent the recovery of an expenditure.

NOTE: *If the accounts are kept on a cash basis, the term is synonymous with "Revenue Receipts" (q.v.). If the accounts are kept on an accrual basis, the term includes revenue, whether accrued or collected.*

See also ACCRUAL BASIS *and* CASH BASIS.

REVENUE DEBENTURES

Debentures to be paid from earnings, usually those of a municipally owned utility, or other public service enterprise for payment of which the revenues and possibly the properties of the enterprise are pledged.

REVENUE RECEIPTS

Revenue collected.

REVOLVING FUND

A fund provided to carry out a cycle of operations. The amounts expended from the fund are restored thereto from the income of the operation or by transfers from other funds, so that it is always intact, either in the form of cash, receivables, or inventory.

See also IMPREST FUND, PETTY CASH, *and* WORKING CAPITAL FUND.

ROTARY FUND

See REVOLVING FUND.

SCHEDULES

(1) The explanatory or supplementary statements that accompany the balance sheet, or other principal statement periodically prepared from the books.

(2) The accountant's or auditor's principal work papers covering his examination of the books and accounts.

(3) A written enumeration or detailed list in orderly form.

See also EXHIBITS *and* STATEMENTS.

SECURITIES

Bonds, debentures, notes, mortgages, or other forms of negotiable or non-negotiable instruments.

See also INVESTMENTS.

SERIAL DEBENTURES

Debentures that are redeemable by instalments over the life of the issue. When the amortization is such that equal, or approximately equal, instalments of combined interest and principal are paid each year, the debentures so retired are known as serial annuity debentures.

SINKING FUND DEBENTURES

Debentures issued for the repayment of which a sinking fund is provided.

SINKING FUND

A fund established by periodical instalments or otherwise, which, along with the increment thereon, is to provide for the retirement of the principal of sinking fund debentures and of other debentures specified to be retired from sinking funds.

SINKING FUND REQUIREMENTS

The amount needed to be placed periodically or otherwise in the sinking fund so that the accumulation thereof together with the earnings thereon will be sufficient to redeem sinking fund debentures as they mature.

NOTE: *The amount required to be set aside should be established on a predetermined actuarial basis.*

SINKING FUND RESERVE

See RESERVE FOR RETIREMENT OF SINKING FUND DEBENTURES.

SPECIAL ASSESSMENT

A charge imposed by a government upon the owners of a selected group of properties to defray, in whole, or in part, the cost of a specific improvement or service which is presumed to be of special benefit to the owners of such properties.

NOTE: *Such charges may sometimes be paid by the occupant or tenant of the property.*

SPECIAL ASSESSMENT ROLL

The list showing the amount levied against each parcel of property benefited by an improvement, or against which the cost of a service rendered is assessed.

Special Audit

An audit made for any purpose other than the verification or certification of statements of account presented according to regular procedure at the close of an accounting or fiscal period. Such an examination may be one where specially exhaustive attention is given to detail, or it may, on the other hand, be a sketchy examination of some limited feature of the accounts. An interim or periodical audit made in regular course, however, is not a special audit.

Special Fund

Any fund that must be used in accordance with specific regulations and restrictions.

Special Revenue Fund

A fund used to finance particular activities from the receipts of specific taxes or other revenues.

Standard Cost

What the cost of performing an operation or producing a product should be when labour, materials, and equipment are utilized efficiently under normal and reasonable conditions.

Note: *Normal conditions exist when there is an absence of special or extraordinary factors affecting the quality or quantity of the work performed, or the time or method of performing it.*

Statements

In accounting, formal written presentations setting forth financial information. The term includes exhibits, schedules, and written reports.

See also Exhibits, Report, *and* Schedules.

Stores

Goods on hand subject to requisition.

Subsidiary Accounts

A group of related accounts supporting a controlling account.

Note: *A typical example is found in the account with the consumers of power and water, which are usually kept in subsidiary ledgers, the total balances of which must equal the balances in the controlling account in the General Ledger.*

See also Controlling Account *and* Subsidiary Ledger.

Subsidiary Ledger

An accounting record containing accounts, called subsidiary accounts, in which are recorded in detail identical, similar, or related transactions. The accounts in the subsidiary ledger support in detail

the debit and credit summaries recorded in a controlling account in the General Ledger relating to the same activity or object as the subsidiary accounts.

See also Controlling Account *and* Subsidiary Accounts.

Subvention

A grant in aid (q.v.)

Surplus

The excess of assets over liabilities and reserves.

Surplus Receipts

Receipts from revenue or other sources which increase the surplus of a fund, but are not properly a part of the normal revenue either because they belong to a prior period or were not contemplated in the budget.

Examples: Collection of taxes or accounts receivable previously written off as uncollectible, and receipts from sale of fixed assets.

Suspense Fund

A fund established to set aside and account separately for certain cash receipts pending the distribution or disposal thereof.

Symbolization

The assignment of letters, numbers, or other marks or characters to the ordinary titles of the ledger accounts. Each letter, or number, should have the same meaning wherever used and should be selected will great care so that it will indicate immediately and with certainty the title of the account as well as its place in the classification. The use of proper symbols saves much time and space in making the book record and adds to its precision and accuracy.

See also Codification.

Tax Anticipation Notes

Notes (sometimes called "warrants") issued in anticipation of collection of taxes.

Tax Arrears

All taxes due and outstanding, excluding unpaid taxes of the current year.

See also Current Taxes.

Tax Levy By-Law

A by-law (q.v.) authorizing the levy of taxes.

Tax Liens

Claims which governmental units have upon properties until taxes levied against them have been paid.

TAX PREPAYMENT CERTIFICATES

Certificates issued in prepayment of taxes (q.v.) and sold at present worth on an authorized discount basis. These certificates may be presented, and accepted at face value, in payment of taxes they were purchased to liquidate on the date set for payment of such taxes, or at any time thereafter.

TAX ROLL

The list showing the amount of taxes levied against each taxpayer or property.

NOTE: *The tax roll and assessment roll (q.v.) are sometimes combined.*

TAXES

Compulsory charges levied by a governmental unit against the income or wealth of persons, natural or corporate, for the common benefit of all the residents of the governmental unit.

NOTE: *The term does not include specific charges made against particular persons or properties for current or permanent benefits, and privileges accruing only to those paying charges such as licences, permits, and special assessments.*

TAXES LEVIED FOR OTHER GOVERNMENTAL UNITS

Taxes levied, to be collected and paid over to some other governmental unit.

TAXES RECEIVABLE

An asset account representing the uncollected portion of taxes which a governmental unit has levied.

TEMPORARY LOANS

Borrowings, under proper authority, for general purposes, until taxes are collected, and for capital undertakings until debentures are sold.

See also TAX ANTICIPATION NOTES.

TEST CHECK

A check in which, instead of auditing every item in an account, or in a record, for an entire period under review, certain items are selected and completely checked. If no errors be found, the examination is regarded as warranting the assumption that those items in the accounts which have not been checked are also correct.

TRADE DISCOUNT

Allowances, usually varying in percentage with volume of transactions, made to those engaged in certain businesses and allowable irrespective of the time when the account in paid. The term is not to be confused with cash discount (q.v.).

Transfer Voucher

A voucher prepared to authorize transfers of cash or other resources between funds.

Trial Balance

A list of the balances of all ledger accounts, with the debit and credit balances shown in separate columns. If the totals of the debit and credit columns are equal, the ledger from which the figures are taken is said to be "in balance".

Trust

A trust is the conveyance or assignment of property or funds to a person called the trustee in confidence that he will deal with it according to the terms of the trust. The property so conveyed is called a "trust fund" or is said to be "in trust".

Trust Fund

A fund consisting of resources received and held by the municipality as trustee to be expended or invested in accordance with the conditions of the trust.

See also Private Trust Fund *and* Public Trust Fund.

Unapplied Cash

Any cash not earmarked for some special purpose and available for purposes of the fund of which it is a part.

Unearned Income

See Deferred Income.

Unencumbered Allotments

See Unencumbered Balance.

Unencumbered Appropriation

See Unencumbered Balance.

Unencumbered Balance

That portion of an appropriation or allotment not yet expended or encumbered.

Unexpended Appropriation

See Unexpended Balance.

Unexpended Balance

That portion of an appropriation or allotment which has not been expended.

UNIT COST

The cost of a unit of product or service. For example, the cost of a square yard of pavement, or of a ton of asphalt.

UNLIQUIDATED ENCUMBRANCES

Encumbrances that have not yet been paid or approved for payment.

See also ENCUMBRANCES.

UNQUALIFIED CERTIFICATE

An auditor's certificate in which the auditor states that the accounts referred to in the certificate are, in his opinion, correct and reflect accurately the conditions or the transactions or results shown.

UNREALIZED REVENUE

See ACCRUED REVENUE.

UNRESTRICTED RECEIPTS

Receipts concerning the use of which no limitations exist.

UTILITY FUND

A fund established to finance the construction, operation, and maintenance of municipally owned utilities.

VOUCHER

A document evidencing a certain transaction, certified and approved, especially a written form attesting the propriety of the payment of money; also an invoice properly certified and approved.

VOUCHER CHEQUE

A voucher cheque combines the distinguishing marks of a voucher and a cheque; it shows the propriety of a payment and is an order for the payment thereof.

WORK IN PROCESS

The cost of partially completed products manufactured or processed in the service departments, such as a partially completed printing job. The term is not synonymous with WORK IN PROGRESS.

WORK IN PROGRESS

The cost, at a given date, of construction work on a project not yet completed.

WORK UNDER CONSTRUCTION

See WORK IN PROGRESS.

Work Order

A form issued to one responsible for the performance of a particular job, indicating the nature and location of the job, specifications of the work to be performed, and a job number which is referred to in reporting the amount of labour, materials, and equipment used.

Work Unit

See Cost Unit.

Working Capital Fund

A fund established to finance activities, usually of a manufacturing or service nature, such as shops and garages, asphalt plants, and central purchases and stores departments. Sometimes called a revolving fund (q.v.).

PART III — GENERAL STATISTICS, AREA, ASSESSMENT, AND POPULATION

SCHEDULE A

Classification (1)	All Properties (Gross) (2)	Assessed Valuations of			
		Properties Wholly Exempt from Taxation (Gross) (3)	Properties which may be Taxed		
			Gross Valuations (4)	Maximum Valuations which may be taxed (5)	Valuations Taxed for General Purposes (6)
	$	$	$	$	$
1. Land					
2. Buildings and Improvements					
3. Total Real Property					

Explanatory Notes: (Schedule A)

This schedule should include, in column (2), the gross assessed valuation of all land, buildings, and other improvements to land. (Do not include streets, roads and alleys, or water area which is not assessed.) This gross value is that value which the assessor normally determines as the assessed value, or as the basis for calculation of the assessment where properties are not taxed on the full value. It should be entered here whether or not the property is liable for taxation, and whether or not the property is taxed on this valuation. Figures in this column would be the sum of those in columns (3) and (4).

In column (3) should be entered the gross assessed valuation of all properties exempted from taxation by federal or provincial statute; that is, the properties listed in the classification section of Schedule C, page 277. Properties exempted by the municipality itself by resolution, by-law or agreement, should not be included; nor should streets, roads and alleys.

Column (4) should show the gross assessed valuation of all properties which may be taxed whether they are or are not taxed. It would contain, therefore, the full assessed value of all properties other than those exempted by federal or provincial statute. It should include valuations or portions thereof not taxed by the municipality: (1) where a fixed assessment or fixed tax has been granted (the actual gross value should be entered here, not that on which the tax is based): (2) where there is no taxation of buildings or improvements, but these could be taxed (are not exempt by federal or provincial statute): (3) where only a percentage of the gross assessed valuation is taxed (both taxed and untaxed portions should be entered as one figure).

Column (5) provides for the entry of the maximum portion of the gross assessed values on which taxes may be levied, as in those cases where this is fixed at a percentage of the gross assessed valuation: (i.e., when it is provided that buildings and improvements shall be taxed on a percentage of the actual value). Where there is no such provision, the amount shown in this column would be the same as that in column (4).

In column (6) should be entered the assessment figure on which taxes are actually calculated. In most cases this would be the same as column (5). However, it may be a lesser figure, as in British Columbia municipalities, where buildings and improvements are often assessed at less than the maximum permitted, or in Ontario where agreements have been made to assess housing developments at a percentage of actual value for a number of years. Where columns (4) and (5), or (5) and (6), or (4), (5) and (6) would contain the same figures, these may be found combined in the reporting statements.

Fixed assessments should be shown hereunder at the amount agreed upon. Where a fixed assessment has been granted at a figure less than the maximum assessment, the assessment on which taxes are levied should be considered as applying first against the land, up to the maximum assessment thereof, then against buildings or improvements. If the fixed assessment is on a business property in a province where a business tax is levied, it may be that the total assessed value of the property will exceed the real property assessment. The amount of assessment over and above the value of the real property should not be entered in this table, but as business assessment, in Schedule B, "Assessments on which Taxes are Levied".

Figures in column (6) should be carried to the Real Property section of Schedule B.

Examples:

(i) Property assessed for $10,000.00, its full value and taxed on that assessment, should be entered in columns (2), (4), (5) and (6) at $10,000.00.

(ii) Buildings assessable at 66 2/3 p.c. of value and valued at $10,000.00 should be entered in column (4) at $10,000.00 and in columns (5) and (6) at $6,666.66.

(iii) Buildings or improvements taxable, but not taxed should be entered in columns (2), (4) and (5) at full assessed value, or if assessed at a percentage, column (5) should show the reduced value while no figure would be entered in column (6).

(iv) In British Columbia cities, where buildings may be taxed on an assessment at any figure up to 75 p.c. of value and elsewhere when a similar procedure is followed, a $10,000.00 valuation taxed on 30 p.c. of value should be entered as follows: columns (2) and (4), $10,000.00, column (5), $7,500.00, column (6), $3,000.00.

(v) A fixed assessment of $25,000.00 on property assessed at $15,000.00 for land and $20,000.00 for buildings should be entered as follows: columns (2), (4) and (5), $35,000.00, column (6), land $15,000.00, buildings $10,000.00; total $25,000.00.

(vi) Where there is a business tax, a fixed assessment of $50,000.00 for taxation purposes on a business property assessed at $20,000.00 for land and $20,000.00 for buildings and $20,000.00 for business would show at a total of $40,000.00 in columns (2), (4), (5) and (6), of Schedule A. The additional $10,000.00 would not appear in this Schedule but would be reflected in Schedule B as business assessment, item 2.

(vii) Where the tax, rather than the assessment, is fixed, the assessment figures should be entered in columns (2), (4) and (5), and the valuation taxed, calculated from the tax and the mill rates, should be entered in column (6).

(viii) Where there are housing exemptions on a sliding scale, the full value should be entered in columns (2), (4) and (5), with the value taxable for the year in column (6).

(ix) A federal property, exempt from taxation by statute, and valued at $50,000.00 would be entered only in columns (2) and (3), at that figure.

(x) Saskatchewan and Alberta farm buildings and improvements valued at $10,000.00 but exempt from assessment and taxation by statute, would be entered only in columns (2) and (3) at $10,000.00.

ASSESSMENTS ON WHICH TAXES ARE LEVIED

SCHEDULE B

Classification (1)	Valuations Taxed for General Purposes (2)	Deduct Valuations not liable for school Taxes (3)	Add Valuations liable for School Taxes only (4)	Valuations Taxed for School Purposes (5)	Details of Valuations Taxed for School Purposes	
					Public (6)	Separate (7)
	$	$	$	$	$	$
1. Real Property:						
11. Land						
12. Buildings and Improvements						
Total Real Property						
2. Business						
3. Income						
4. Other						
Total Taxed Valuations						

Explanatory Notes: (Schedule B)

This table provides for the classification of all assessments on which taxes are levied. Those of Real Property should be carried to column (2) of this table from column (6) of Schedule A. The columnar breakdown analyses these assessments to determine valuations taxed for school purposes, column (5), by the deduction of valuations not liable for school taxes, column (3), and by the addition of valuations liable for school taxes only, column (4), when these instances occur. Columns (6) and (7) permit a breakdown of column (5) between public and separate schools in those provinces which maintain a dual school system.

ASSESSED VALUATIONS OF PROPERTY WHOLLY EXEMPT FROM TAXATION BY STATUTE

SCHEDULE C

Classification (1)	Land (2)	Buildings And Other Improvements (3)	Total (4)
	$	$	$
1. Government Property:			
11. Dominion Government:			
111. Dominion Government Utilities and Enterprises	.....	.....	.....
112. Schools and Colleges	.....	.....	.....
113. Hospitals, Penitentiaries and Other Welfare Institutions	.....	.....	.....
114. Indian Lands	.....	.....	.....
115. Defence Establishments	.....	.....	.....
116. Other Dominion Government Property	.....	.....	.....
Total Dominion Government Property	.....	.....	.....
12. Provincial Government:			
121. Provincial Government Utilities and Enterprises	.....	.....	.....
122. Provincial Schools, Colleges and Universities	.....	.....	.....
123. Hospitals, Gaols and Other Welfare Institutions	.....	.....	.....
124. School Lands	.....	.....	.....
125. Other Provincial Government Property	.....	.....	.....
Total Provincial Government Property	.....	.....	.....
13. Municipal and Other Local Government:			
131. Municipal Utilities and Other Municipal Enterprises	.....	.....	.....
132. School Corporations	.....	.....	.....
133. Hospitals, Gaols and Other Welfare Institutions	.....	.....	.....
134. Tax Sale Properties	.....	.....	.....
135. Other Municipal Government Property	.....	.....	.....
Total Municipal Government Property	.....	.....	.....
Total Government Property	.....	.....	.....
2. Non-Government Property:			
21. Industrial and Business Enterprises	.....	.....	.....
22. Private Schools, Colleges and Universities	.....	.....	.....
23. Private Property used for Charitable and Welfare Purposes	.....	.....	.....
24. Property used for Religious Purposes	.....	.....	.....
25. Other (Specify)	.....	.....	.....
Total Non-Government Property	.....	.....	.....
Grand Total Government and Non-Government Exemptions—Schedule "A", Column (3)	.....	.....	.....

This reporting schedule has as its purpose the presentation of complete information on the assessed valuations of property which is not taxable because of provisions in Dominion or provincial statutes which state that it shall not be taxed. Ideally it should show the value of all properties which for these reasons are not taxed, but this is not possible, as some specific types of property are exempt from assessment as well as from taxation.

Illustrations of some of the more important types of property which would be placed in each of the classifications so long as they remain exempt are as follows:

1. Government Property:

11. Dominion Government:

111. Wartime Housing, Bank of Canada, Canadian Broadcasting Corporation, Trans-Canada Air Lines, Canadian National Railways, National Harbours Board, Canadian Arsenals, etc.—all property used for commercial purposes.

112. Schools and Colleges—largely for the use of Indians, but not located on Indian lands.

113. Hospitals—Military (other than in military camps), Department of Veterans' Affairs, Indian (other than on Indian Reservations).

114. Indian Reservations, including all buildings thereon.

115. Military Camps, Airfields, Dockyards, etc., including all buildings therein—self-contained military establishments which do not receive ordinary municipal services.

116. Dominion Government property which does not fall within the above classifications.

12. Provincial Government:

121. Liquor stores, utility properties, crown corporations, etc.

122. Provincially owned: schools for the blind, deaf, dumb or mentally retarded; trade, technical and vocational schools; colleges, agricultural colleges, normal schools and teacher training schools; universities; farms operated in connection with any of these.

123. Provincially owned: hospitals, clinics and clinical laboratories, mental hospitals, sanatoria; homes for the aged, children's homes and shelters; gaols, reformatories, boys' and girls' industrial homes or schools; farms operated in connection with any of these.

124. In provinces where school lands have been set aside.

125. Provincial government property which does not fall within the above classifications.

13. Municipal and Other Local Government:

131. Land, building and other improvements assessable if privately owned, of municipal water supply, electric light and power, and gas supply systems, street railways, bus lines, telephone systems, central heating plants, ferries, airports and other utilities; and of municipal housing schemes, cemeteries and other enterprises of a business nature, (i.e., abbatoirs, bakeries, dairies, etc.).

132. The physical property of public and separate school boards, but not of private or religious schools.

133. Municipally owned: general hospitals, isolation hospitals, other hospitals, and clinics and clinical laboratories, health centres, nursing homes, etc.; gaols and lockups; houses of refuge, homes for the aged and infirm or incurable, institutions for the blind, orphanages, boys' or girls' homes, day nurseries, etc.

134. Property for which title has been acquired by the municipality for arrears of taxes, and which is held for sale, or disposal in some other manner.

135. Municipal government property which does not fall within the above classifications.

2. Non-Government Property:

21. Industrial and Business Enterprises: where exempt by statute, such as coal mines in British Columbia.

22, 23 and 24. All such properties exempted by provincial statutes.

25. Non-government properties other than those which are exempted from taxation by dominion or provincial statutes.

EXEMPTIONS FROM TAXATION OF REAL PROPERTY WHICH MAY BE TAXED

SCHEDULE D

Classification (1)	Partial Statutory Exemptions (2)	Permissive Exemptions (3)	Total (4)
	$	$	$
1. Land			
2. Buildings and Improvements			
Total Real Property			

Explanatory Notes: (Schedule D)

This reporting schedule is intended to show the detail and total of exemptions which arise from the taxation of real property on less than the gross assessed valuation, and the exemption of properties from taxation by municipalities. The information is determined from Schedule A.

Column (4) is the total of columns (2) and (3), and represents the total of both statutory and permissive exemptions of real property which is taxable, or taxed in some part. No assessed valuation of property wholly exempt from taxation by statute should be entered here. These belong in Schedule C.

Partial Statutory Exemptions: This type of exemption results from statutes which in one way or another state that certain classes of property shall be taxed at a percentage only of full value — in other words, of gross assessed value. If the assessment act of one province requires both building and land to be assessed at full value, while that of another requires that land be assessed at full value and buildings at two thirds of full value, then one third of the value of buildings in the second province is statutorily exempt from taxation.

Column (2) consists of the amounts shown in column (4) of Schedule A less those in column (5) of Schedule A.

Permissive Exemptions: This type of exemption arises out of municipalities taxing on less than the gross assessment or maximum valuation which may be taxed, as the case may be, whether on all property, or all specific types of property, or whether by the direct process of granting partial, fixed or tax free assessments to specific industries, housing developments, etc.

Column (3) consists of the amount shown in column (5) of Schedule A less those in column (6) of Schedule A.

From Schedule A, therefore, it is possible to obtain the exemptions resulting from each factor. Schedule D was designed to set these out by themselves in order that they might be more easily recognized, and as a check on Schedule A.

AREA — IN ACRES

SCHEDULE E

	(Day)	(Month)
1. Land Area (Including Streets, Roads and Alleys):		
11. Assessed Land Which May Be Taxed (from Assessment Roll Returned) on.....		.....19..
*111. Land Built Upon.....	.....	.....
*112. Land in Use, Not Built Upon.....	.....	
*113. Land Not in Use.....	.....	
Total Land which may be Taxed.....		.....
12. Land Exempt from Taxation (Excluding Streets, Roads and Alleys)		
121. Public Parks and Playgrounds.....	.....	
122. Other.....	.....	
Total Assessed Land Exempt from Taxation.....		.....
13. Streets, Roads and Alleys (Not Assessed).....		.....
Total Land Area.....		.....
2. Water Area (Not Otherwise Included):		
21. Water Area Assessed for Taxation.....		.....
22. Water Area Exempt from Taxation.....		.....
Total Water Area.....		.....
Grand Total Land and Water Area.....		.....

* These apply to cities, towns and villages only. See definitions of these terms in descriptive text, page 282.

Explanatory Notes: (Schedule E)

The land area classified in item 1 (11) would then be that for which assessment figures are shown in column (4) of Schedule A, "Assessed Valuations of Real Property", and the land area in item 1 (12) would be that for which assessment figures are shown in column (3) of Schedule A. If the area of item 1 (13) Streets, Roads and Alleys, is not known, it may be determined by deducting the total of the area in items 1 (11 and 12) from the total land area of the municipality as determined by survey (or otherwise). Similarly, water area, if not known, may be determined by deduction of the total land area of the municipality from the total area contained within its legal boundaries.

Item 1, Land Area:

Included, hereunder, should be shown the area of all land in the municipality, including minor water areas which are assessed as part of the land.

Item 1 (11) of this table should include all land on the assessment roll on which taxes are levied, whether or not all of it is taxed. That is, all land for which the assessment is shown in column (4) of Schedule A, "Assessed Valuations of Real Property".

111. "Land Built Upon"—Any legally described parcel of land, or integrated group of such parcels, upon which a building (or buildings) has been erected, and which is entirely covered by the building or if not entirely covered, the uncovered portion is used in connection with the building, as for a lawn, garden, parking lot, driveway, storage space, etc., or farm, garden, airfield, etc.

112. "Land in Use, Not Built Upon" — Any legally described parcel of land, or integrated group of such parcels of land, on which no building has been erected, but which is used for some purpose, as in the examples above.

113. "Land Not in Use"—Any parcel of land not in use by itself, or in conjunction with other parcels, for any economic purpose.

Item 1 (12) should include the land area of the municipality which is not taxable, due to exemption by federal or provincial statute, the assessment of which is shown in column (3) of Schedule A.

Item 1 (13) should, therefore, comprise the remaining land area of the municipality, and if not known, may be calculated by deducting the total area of items 1 (11) and 1 (12) from the total land area of the municipality as determined by survey.

Item 2, Water Area (not otherwise included):

Hereunder should be included all water area shown separately in the assessment roll, and all water area not assessed which is within the boundaries of the municipality, unless already included as part of land area.

Item 2 (21) should include water area assessed as such in the assessment roll, which is taxable, i.e., shore lines, harbour fronts, water lots, beaches, marsh areas and small lakes. It should not include small streams, ponds, or lakes which are assessed as part of the land on which situated.

Item 2 (22) should include all water area within the legal boundaries of the municipality which is either not assessed, or assessed and not taxable, i.e., rivers, canals, lakes, bays, etc. Where these cut through, or are located wholly within a municipality, the whole water area should be shown. Where they constitute the boundary between two municipalities, only the water area within the legal boundaries of the municipality should be tabulated by it. Municipalities fronting on international bodies of water, such as the Great Lakes, should exclude all water area from the shoreline to the international boundary.

SCHEDULE F

	Day	Month	Year	No. of Persons
1. As per Assessment Roll.....	.....	.....	.....	.....
2. Other Estimates (Specify basis):				
21.	.....	.....	.....	.....
22.	.....	.....	.....	.....

Municipal population figures are obtained in some provinces by a yearly count or census, which may be made by the assessors while they make the assessment, or by the compilers of the municipal voters' list.

In other provinces estimates are made, based on various factors. In reporting estimates, the basis of the estimate should be specified.

The following instructions on counting and estimating municipal populations are included to guide municipal officials who are responsible for supplying population figures:

Where an actual count of population is made, as during assessment or compilation of municipal voters' list, it should be governed by the following definitions:

Time of Count. The census count is made as of a certain moment of time—in the case of the last dominion-wide census, June 2, 1941. The shorter the period taken by anyone else counting the more comparable his results will be with the census. Since it may be impracticable for assessors to carry out their work as quickly as census enumerators, it is suggested that the following rules be applied at the moment of calling at each household rather than at any single day for the entire municipality.

Resident Population. Persons are counted at their place of residence. Broadly this means that it is the overnight population of a municipality which is to be counted; persons who move about are to be considered as residents of that place which comes nearest to being their permanent home.

No Permanent Home. Persons having no permanent home (such as those living in missions, hotels, construction camps, etc.) are to be counted as within the municipality where they are found. The assessor should note separately the number of such transients as he encounters them on his round.

Persons Away from Home. Any person who happens to be absent from home whether on business or for pleasure is to be included in the count of his home municipality. This applies to sailors at sea, armed forces personnel including military nurses, etc. If it is not known whether a person will return or not, the rule to be followed is that if he has already been away twelve months he be left out, but if less than twelve months he be included. Any members of the house-

hold being assessed who are away at college, who are away as casual patients in hospital, who are temporarily away in a lumber camp or construction camp, are to be counted. On the other hand, any member of the family who is absent as a nurse-in-training is not to be counted at the home of her family.

Visitors and Hotel Population. Persons staying temporarily at hotels, lodging houses, with relatives or friends, etc., are not to be counted at such places if they have some other usual or permanent home. Hotel guests and employees who have no permanent home are to be counted as the hotel population.

Servants and Other Employees. Household servants, labourers or other employees are to be counted with the households of their employers if and only if they sleep on the premises.

Boarders and Lodgers. Persons who board in one place and lodge in another are to be included in the population of the place where they sleep, following the general rule.

Institutions Other Than Medical Hospitals. The assessor must include a count of all the persons who are present in those institutions where people usually stay for long periods of time. Such institutions include prisons, gaols, penitentiaries, reformatories, almshouses, mental hospitals, homes for orphans, soldiers, the blind, the deaf and dumb, incurables, or the feeble-minded.

Hospitals. Casual patients in ordinary hospitals are not to be counted when the assessor in covering the hospital, since they will be counted at their homes. All persons having their permanent home in the hospital, or having no other home, be they patients, nurses, caretakers, etc. and including all nurses-in-training, are to be counted as the population of the hospital.

Diplomatic Service. Persons in the diplomatic service of other countries are not counted in the resident population unless they happen to be Canadian citizens.

Summer Cottagers. Under the rules for counting the resident population, summer cottagers are not to be counted where they are spending the summer. They are to be taken in the city where their year-round home is; the city assessor who finds a house temporarily closed may obtain the information on usual number of residents from neighbours.

Where no actual count of population is made, and it is, therefore, to be estimated:

The method of carrying out a count of population in a municipality that will give results broadly comparable with those of the census has been specified in some detail. In many municipalities, it will not be possible to make such a count and some kind of an estimate will be required in order that the picture of local population may be completed for the country.

Where consideration of expense or convenience make an actual count impracticable, an estimate of the total for the municipality by the municipal clerk or other responsible official is required. In making this

estimate, he shall note (1) the population at last census, (2) the rate of growth which the town has shown in the period between the last and second last censuses, (3) the general opinion on whether the municipality is increasing or declining, (4) any knowledge of new jobs made available through setting up of new industries or the extension of old ones and conversely, the falling off in employment due to decline in industrial activity within the municipality, (5) known building of new dwellings.

In making estimates from these various factors, some guidance is offered by current labour force figures. In the Dominion as a whole at the present time there are one and one-half persons not in the labour force for each person who is in. In each household in the country as a whole at the present time there are four persons.

ROAD AND STREET MILEAGE
(Within the Municipality)

SCHEDULE G

Surface Classification	Road Classification: Provincial Highways — Main	Provincial Highways — Secondary	County or Market Roads	County Sub-urban Roads	Local Roads and Streets	Public Lanes and Alleys	Total
1. Surfaced Roads:							
11. Concrete (Portland Cement)							
12. Bituminous Pavements							
13. Bituminous Surfaces							
14. Gravel							
15. Other Surfaces (Brick, Granite Block, Wood Block, etc.)							
Total Mileage Surfaced Roads							
2. Earth Roads:							
21. Improved Earth Roads (Graded and Drained)							
22. Other							
Total Mileage Earth Roads							
Total Mileage Surfaced and Earth Roads							

Explanatory notes:

Item 12—Bituminous Pavements should include Sheet Asphalt Surface on Concrete Base, Bituminous Mixture on Concrete Base, Hot Mix Bituminous Macadam or Black Base, and Bituminous Penetration Macadam.

Item 13—Bituminous Surfaces should include Retread Plant or Road Mix, Bituminous Surface on Gravel Base, Bituminous Surface (Water-Bound) or on Water-Bound Macadam Base, Gravel or Stone Surface treated with Asphaltic Oils, and Bituminous Mulch.

Item 14—Gravel should include Traffic Bound Gravel or Crushed Stone and Stabilized Gravel or Stone, not Surface Treated.

SEWER AND WATER MAIN MILEAGE

SCHEDULE H

1. Storm Sewers	
2. Sanitary Sewers	
3. Water Mains	

PART IV — FINANCIAL STATEMENTS OF MUNICIPAL SUPERANNUATION OR PENSION FUNDS

MUNICIPAL SUPERANNUATION OR PENSION FUNDS

Financial statements for reporting Municipal Superannuation or Pension Funds were adopted by the Dominion-Provincial Conferences on Municipal Statistics held in 1947 and 1948. As superannuation or pension plans for municipal employees were being widely adopted by municipal administrations it was felt that there was a need for having uniform reports and information on their finances and operations.

These accounting forms have been designed and included herein to aid municipal superannuation or pension authorities in their financial reporting. It should be noted that the purpose is the reporting of the condition and transactions of the fund itself, and that therefore these statements should appear separately from the municipal statements as such. The form and content of the principal statements required are included herein. The Trust and Agency Funds section would reflect only assets of the pension or superannuation fund which may have been placed in the hands of the municipality for safekeeping.

If it be considered desirable to elaborate on these forms, more detail may be given, and a statement of receipts and payments such as recommended for Sinking Funds may be drawn up and presented.

There are two methods under which superannuation or pension plans, exclusive of those which are insurance or government annuity contracts only, may be operated by municipalities. These two methods are:

Firstly, operation on an actuarial basis, with an actuarial pension reserve maintained and adjusted annually through surplus account for the amount of contributions and interest added to the fund at the actuarially determined rates, and for pensions and refunds. Surplus and deficit items therefore are required both in the income and expenditure statement and in the balance sheet, and also a statement showing reconciliation of the changes in balance sheet surplus or deficit.

A variation of this first type of operation involves a fund balance actuarially determined, as well as interest credits and contributions, it being adjusted at regular or irregular periods, by transfers to or from surplus, to the amount calculated necessary to meet future pension commitments.

Secondly, operation on a fund basis, the fund balance being the net amount available to meet all liabilities including pensions and refunds. While surplus and deficit items are required in the income and expenditure statement, the fund balance, as shown in the balance sheet, serves as both surplus and deficit item. Therefore a statement showing reconciliation of the fund balance is required.

MUNICIPAL SUPERANNUATION OR PENSION FUND

BALANCE SHEET

MUNICIPAL SUPERANNUATION OR PENSION FUND
BALANCE SHEET

As at..... .....19...
(Day) (Month)

ASSETS

1. Cash			$.....
2. Investments (Issued or Guaranteed By):			
21. Dominion Government	$.....		
22. Provincial Governments:			
221.	$.....		
222.	.....		
223.	.....		
		Sub-Total	.....
23. Municipal Governments (Excluding Own)		.....	
24. Own Municipality		.....	
25. School Corporations		.....	
26. Other: (Specify)			
261.	$.....		
262.			
		Sub-Total	.....
		Sub-Total	.....
3. Annuities		.....	
Less: Reserve		.....	
		Net Total	.....
4. Accrued Interest on Investments			.....
5. Contributions Receivable: (Specify)			
51. Municipal Contributions	$.....		
52. Provincial Contributions		.....	
53. Employees' Contributions		.....	
		Sub-Total	.....
6. Other Assets: (Specify)			
61. Cash with Trust or Other Depositaries	$.....		
62. Interest Due and Unpaid		.....	
63. Investments Matured and Unpaid		.....	
64.		.....	
		Sub-Total	.....
7. Deficit—Municipa Superannuation or Pension Fund Surplus (Deficit) Account			.....
Total Assets			$.....

MUNCIPAL SUPERANNUATION OR PENSION FUND BALANCE SHEET

As at..... .....19...
(Day) (Month)

LIABILITIES

1. Bank Overdraft		$.....
2. Accounts Payable and Other Liabilities: (Specify)		
21. Due to Municipality	$.....	
22.	.....	
23.	.....	
	Sub-Total	.....
3. Actuarial Pension Reserve:*		
31. Contributed by Municipality	$.....	
32. Interest on Municipal Contributions	.....	
33. Contributed by Province	.....	
34. Interest on Provincial Contributions	.....	
35. Contributed by Employees in Service	.....	
36. Interest on Contributions by Employees in Service	.....	
37. Contributed by Employees on Pension	.....	
38. Interest on Contributions by Employees on Pension	.....	
	Sub-Total	.....
4. Superannuation or Pension Fund Balance*		.....
5. Other Reserves: (Specify)		
51.	$.....	
52.	.....	
	Sub-Total	.....
6. Surplus—Municipal Superannuation or Pension Fund Surplus (Deficit) Account		.....
Total Liabilities		$.....

* Use 3 or 4, whichever is applicable. See introduction on page 289.

MUNICIPAL SUPERANNUATION OR PENSION FUND

BALANCE SHEET

ASSETS

1. The balance of cash on hand or on deposit in the superannuation or pension fund which has not been invested. Cash

2. Bonds, debentures, stock or other securities in which monies deposited in the superannuation or pension fund have been invested. These should be classified according to the detail shown in the balance sheet after the same procedure as used in classifying sinking fund investments. (See page 25 for detailed explanation.) Investments

3. That portion of the present value of annuities purchased by the fund on behalf of contributors which represents the share advanced by the municipality together with interest earned thereon, any portion of which might revert to the municipality due to the cessation of employment of any individual. Monies so reverting might be returned, or be credited against future municipal liability on account of annuities. *This asset should be fully reserved, the reserve being deducted from the asset.* Annuities

4. Interest earned during the fiscal period which is not due or payable until a date in the next succeeding fiscal period. In other words, this item represents the amount of interest accrued on investments unmatured, for the period from the last interest due date to the close of the fiscal period. Interest due and unpaid on unmatured and on matured debentures should be included under item 6. Accrued Interest on Investments

5. Contributions from the municipality or municipal utility, enterprise or other authority, from the province (where applicable) and from employees, which were due during the fiscal period, but had not been received by the end of the fiscal period. The name and amount due from each group should be shown separately. Contributions Receivable

6. Assets of superannuation or pension fund other than those specifically provided for, the exact nature of which should be specified in the balance sheet. Cash deposits with a trust company or other depositaries which are trust or guaranteed should be included here and *not* under item 1. Also include here Interest Due and Unpaid on Investments Unmatured, Investments Matured and Unpaid, and Interest Unpaid on Investments Matured, all of which are explained on page 26 in relation to the Sinking Fund Balance Sheet. Other Assets

7. Where the fund is on an actuarial basis (that is, where an actuarial reserve is established and maintained), the amount by which the Actuarial Pension Reserve and other liabilities and reserves exceed the assets of the superannuation or pen- Deficit

sion fund. There will be no deficit or surplus item where the fund reserve is maintained as an item of the liabilities, as that item there reflects the condition of the fund.

LIABILITIES

Bank Overdraft

1. The amount by which the bank account for current operations is overdrawn, usually to meet pension payments pending liquidation of investments.

Accounts Payable and Other Liabilities

2. Amounts due and owing which are payable out of the cash and other resources of the superannuation or pension fund, including pensions and lump sum settlements due but unpaid, and refunds due but unpaid. Any amounts due to the municipality should be specified.

Actuarial Pension Reserve

3. The amount of cash and other resources that *should be on hand* in the superannuation or pension fund at the close of the fiscal period; in other words, the *actuarial* requirements of the fund.*

If the information is desired, the total of item 3 may be broken down to show the following detail:

Contributed by the Municipality
Interest on Municipal Contributions
(To include contributions by municipal utilities and enterprises)

Contributed by the Province
Interest on Provincial Contributions
(Where applicable)

Contributed by Employees in Service
Interest on Contributions by Employees in Service

Contributed by Employees on Pension
Interest on Contributions by Employees on Pension.

Superannuation or Pension Fund Balance

4. The net amount accumulated out of contributions and earnings to the credit of the superannuation or pension fund and available for the payment of benefits.*

Other Reserves (Specify)

5. Amounts set aside out of surplus funds of the superannuation or pension fund, such as for possible losses which may arise from the redemption or liquidation of investments or other assets of the fund for amounts less than the book values.

Surplus

6. Where the fund is on an actuarial basis (that is, when the reserve is established and maintained as in item 3 above), the amount by which the assets of the superannuation or pension fund exceed the actuarial reserve, other reserves and other liabilities of the fund. There will be no surplus or deficit item where the fund reserve is maintained as in item 4 above, as that item then reflects the condition of the fund.

* Use 3 or 4, whichever is applicable. See introduction on page 289.

MUNICIPAL SUPERANNUATION OR PENSION FUND SURPLUS (DEFICIT) ACCOUNT

(For Use when the Fund is on an Actuarial Basis)

MUNICIPAL SUPERANNUATION OR PENSION FUND SURPLUS (DEFICIT) ACCOUNT

(For Use When the Fund is on an Actuarial Basis)

For the Fiscal Year Ended..... .....19...
(Day) (Month)

	Debit	Credit	Balance
1. Balance of Surplus (or Deficit) at Beginning of Year	$.....	$.....	$.....
2. Adjustments Affecting Operations of Previous Years (Specify)			
.....	.....	.....	
.....	.....	.....	
3. Balance after Above Adjustments			.....
4. Transfer to Actuarial Reserve from Surplus, of Contributions for the Year plus the Actuarially Required Amount of Interest	.....		.....
The following detail may be presented if required:			
Municipal Contributions for the Year.			
Interest on Accumulated Municipal Contributions at Required Rate.			
Provincial Contributions for the Year.			
Interest on Accumulated Provincial Contributions at Required Rate.			
Employees' Contributions for the Year.			
Interest on Accumulated Employees' Contributions at Required Rate.			
Interest on Accumulated Contributions of Employees on Pension at Required Rate.			
5. Transfer to or from the Actuarial Reserve, upon Periodic Readjustment of Actuarial Requirements, of the Amount Required to Properly Adjust the Reserve (Where required when such procedure is followed)	.....	.....	.....
6. Other Transactions Affecting Surplus (Specify)			
.....	.....	.....	
.....	.....	.....	
7. Balance after Above Adjustments			.....
8. Transfer, from the Actuarial Reserve to Surplus, of an Amount Equal to Expenditures During the Year for Pensions and Refunds	.....		.....
The following detail may be presented if required:			
Pensions.			
Refunds of: Municipality's Share			
Province's Share			
Employees' Share.			
9. Surplus (or Deficit) for the Year under Review—Brought Forward from Income and Expenditure Account	.....	.....	
10. Balance of Surplus or Deficit at End of Year–Carried to Superannuation or Pension Fund Balance Sheet	.....	.....	.....
11. Totals of Debit and Credit Columns	$.....	$.....	

MUNICIPAL SUPERANNUATION OR PENSION FUND SURPLUS (DEFICIT) ACCOUNT

(For Use when the Fund is on an Actuarial Basis)

The purpose of this statement is to show the changes during the fiscal year in the superannuation or pension fund surplus (or deficit); thus it actually represents an analysis, in condensed form, of the ledger account.

1. The balance of the account at the beginning of the year, the amount of which would be shown in either the debit or credit column, as the case may be.

2. Adjustments directly affecting operations of previous years are to be shown under this item. Such may arise from accounting or other errors. Only the net result of entries of a similar character should be shown.

3. Extend the balance of the account after giving effect to adjustments shown under item 2.

4. The amount of contributions to the fund during the fiscal period, at the required rates, together with interest on accumulated contributions at the interest rate specified, both as actuarially determined to be those required to maintain the solvency of the fund. Also, opposite this item extend the balance of the account.

5. Where the pension reserve to be maintained is actuarially determined, as well as the rates of contributions and interest earnings credited, show here the amount transferred from or to surplus, at such periodic intervals as required, to adjust the reserve to the proper amount. Such entries are not required when the reserve is maintained as in item 4 of the liabilities in the Municipal Superannuation or Pension Fund Balance Sheet, without requirement that the reserve itself be actuarially adjusted. If required or found desirable, the detail shown may be given opposite this item. Also, extend the balance of the account.

6. Transactions affecting surplus, other than adjustments relating to operations of previous years, to contributions and interest, or to pensions and refunds, which should be summarized according to character and *only the net result of similar transactions* shown in the statement.

7. Extend the balance of the account after giving effect to adjustments shown under item 6.

8. Pensions and refunds having been met out of income during the year, this entry is required to reimburse surplus for the total amount of such expenditures, which, in the final analysis, are a charge against the reserve fund already established to meet them. If required or found desirable the detail shown may be given. Also, opposite this item extend the balance of the account.

9. The Surplus (credit) or Deficit (debit) for the current fiscal year. The amount shown here should agree with either item 7 of the expen-

diture section or item 8 of the income section, respectively, as shown in the Municipal Superannuation or Pension Fund Income and Expenditure Account, page 305.

10. The balance of the account at the close of the year should be extended opposite this item; and in addition it should be entered in either the debit or credit column as the case may be, so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 7 of the assets or item 6 of the liabilities, as the case may be, in the Municipal Superannuation or Pension Fund Balance Sheet, page 291.

MUNICIPAL SUPERANNUATION OR PENSION FUND ACCOUNT

[Reconciliation of Fund Balance (Contributions with Accumulated Interest) Where the Fund is not on an Actuarial Basis]

MUNICIPAL SUPERANNUATION OR PENSION FUND ACCOUNT

[Reconciliation of Fund Balance (Contributions with Accumulated Interest) where the Fund is not on an Actuarial Basis]

For the Fiscal Year Ended..... .....19...
(Day) (Month)

	Debit	Credit	Balance
1. **Fund Balance at Beginning of Year**	$.....	$.....	$.....
2. **Adjustment Affecting Operations of Previous Years** (Specify)			
.....	.....	.....	
.....	.....	.....	
3. **Balance after above adjustments**			
4. **Other Transactions Affecting Fund Balance** (Specify)			
.....	.....	.....	
.....	.....	.....	
5. **Surplus or Deficit for the Year Under Review**—Brought Forward from Income and Expenditure Account	.....	.....	
6. **Fund Balance at End of Year**—Carried Forward to Superannuation or Pension Fund Balance Sheet	.....		.....
7. **Total of Debit and Credit Columns**	$.....	$.....	

MUNICIPAL SUPERANNUATION OR PENSION FUND ACCOUNT

[Reconciliation of Fund Balance (Contributions with Accumulated Interest) where the Fund is not on an Actuarial Basis]

The purpose of this statement is to show the changes during the fiscal year in the superannuation or pension fund balance, which is the amount available for the payments of benefits when the fund is not maintained on an actuarial basis.

1. The balance of the account at the beginning of the year which should be shown in the credit and balance columns.

2. Adjustments directly affecting operations of previous years are to be shown under this item. Such may arise from accounting or other errors. Only the net result of entries of a similar character should be shown.

3. Extend the balance after giving effect to the adjustments shown under item 2.

4. Transactions affecting the fund balance, other than adjustments relating to operations of previous years, which should be summarized according to character and *only the net result of similar transactions* shown on the statement.

5. The Surplus (credit) or Deficit (debit) for the current fiscal year. The amount shown here should agree with either item 7 of the expenditure section or item 8 of the income section, respectively, as shown in the Municipal Superannuation or Pension Fund Income and Expenditure Account, page 305.

6. The balance of the account at the close of the year should be extended opposite this item, and in addition it should be entered in the debit column so as to bring the totals of each into agreement. This balance should agree with the amount shown under item 4 of the liabilities in the Municipal Superannuation or Pension Fund Balance Sheet, page 291.

MUNICIPAL SUPERANNUATION OR PENSION FUND

INCOME AND EXPENDITURE ACCOUNT

MUNICIPAL SUPERANNUATION OR PENSION FUND

Income and Expenditure Account

For the Fiscal Year Ended..... .....19...
(Day) (Month)

INCOME

1. Municipal Contributions		$.....
2. Provincial Contributions		.....
3. Employees' Contributions		.....
4. Interest Earned On:		
41. Bank Deposits	$.....	
42. Investments—Less Accrued Interest on Investments Purchased	.....	
Sub-Total		.....
5. Profit on Sale of Investments		.....
6. Other: (Specify)		
61.	$.....	
62.	.....	
Sub-Total		.....
7. Total Income		$.....
8. Deficit (Excess of Expenditure over Income)—Carried Forward to Municipal Superannuation or Pension Fund Surplus (Deficit) Account		.....
9. Grand Total Income Section		$.....

EXPENDITURE

1. Pensions	$.....
2. Accumulated Contributions Refunded	.....
3. Loss on Sale of Investments	.....
4. Purchase of Annuities (Dominion Government or Other)	.....
5. Administrative Expenditure	.....
6. Total Expenditure	$.....
7. Surplus (Excess of Income over Expenditure)—Carried Forward to Municipal Superannuation or Pension Fund Surplus (Deficit) Account	.....
8. Grand Total Expenditure Section	$.....

MUNICIPAL SUPERANNUATION OR PENSION FUND INCOME AND EXPENDITURE ACCOUNT

INCOME

1. The amount due during the fiscal year from the municipality, and municipal utilities and enterprises, on the basis of number of employees, salaries paid, or any other plan specified in the pension act, by-law or contract. — Municipal Contributions

2. The amount due from the province, as above, where such contributions are made. — Provincial Contributions

3. The amount due during the fiscal year from the employees covered by the fund on the basis specified in the pension act, by-law or contract whether paid directly or by salary or payroll deduction. — Employees' Contributions

4. Bank interest on deposits, and interest accruing to investments held in the fund; from the latter deduct interest paid when securities were purchased during the fiscal period. — Interest Earned

5. Excess of selling price of investments over balance sheet valuation. — Profit on the Sale of Investments

6. Contributions toward administrative expenses, donations, etc. — Other Revenue

7. The total of items 1 to 6.

8. The amount by which item 6 of the expenditures exceeds item 7 above. — Deficit

EXPENDITURE

1. The total amount of benefits accruing or paid to contributors or their dependents during the fiscal year under the terms of the act, by-law or contract. — Pensions

2. Refunds of accumulated contributions made or due to contributors on their retirement or discharge from service before becoming eligible for pension, or to their estates in event of death before receipt of a pension. — Accumulated Contributions Refunded

3. The amount by which the balance sheet valuation of securities held as investments exceeds the selling price. — Loss on Sale of Investments

4. The amount expended during the fiscal period in the purchase of annuities. — Purchases of Dominion Government or Other Annuities

5. Administrative and general expenditures where such are paid out of the resources of the fund. — Administrative

6. The total of items 1 to 5.

7. The amount by which item 7 of the income exceeds item 6 above. — Surplus

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